

# **Washington State Economic Climate Study**



**Office of the Forecast Council  
September 2001  
Volume VI**

# Washington State Economic Climate Study

Prepared by the  
Office of the Forecast Council

September 2001  
Volume VI

**Washington State**  
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## **Editor's Note**

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The 1996 Legislature passed Substitute House Bill 2758 creating the Economic Climate Council (ECC). The ECC is responsible for selecting a series of benchmarks that characterize the competitive environment of the state. The benchmarks are indicators of the quality of life, education and skills of the work force, infrastructure, and the costs of doing business.

To ensure public participation, the ECC established an advisory committee of six members to assist in the selection of the benchmarks. The advisory committee, along with staff of the House of Representatives, Senate, Office of Financial Management and other state agencies, including the staff of the Office of the Forecast Council, assisted in the preparation of the first report. The Economic and Revenue Forecast Council continues to function as the ECC. Each year the Office of the Forecast Council updates and publishes the Climate Study. This is the sixth annual Economic Climate Study.

**Cover:** *American Goldfinch, Washington's State Bird*

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# Executive Summary

**T**his report updates the State of Washington's Economic Climate Study, last published September 2000. The study provides information about Washington's competitive standing in relation to the other U.S. states. It is based on the premise that, while improving productivity is primarily the domain of Washington's business sector, appropriate state and local policies, particularly those relating to education, public safety, infrastructure, cost of doing business, and the environment, are essential to promote higher standards of living.

The benchmarks considered in this study focus on the four themes specified in the Substitute House Bill 2758, RCW 82.33A: quality of life, education and skills of the workforce, infrastructure, and the cost of doing business. These guidelines are specified in the legislation because state and local policies can affect their overall performance. This study also presents nine economic performance indicators meant to measure long-term economic trends: employment growth rate, per capita personal income, high wage industries' share of total employment growth, earnings per job factors, migration rate, export data, and unemployment. These indicators focus on the overall performance of Washington in both the national and world market, and provide data with which comparisons across economies can be made.

Twenty-seven of the 33 benchmarks and indicators have been updated this year. Of the updated benchmarks and indicators, Washington's rank improved in 16 cases, regressed in 9, and stayed the same in 2. While most of these updates show moderate changes, some indicators improved significantly. Washington's air quality index improved from 20.4 to 6.4 percent of the population living in nonattainment areas. Moreover, air traffic delays improved from 18.4 to 10.4 delays per 1000 operations while the national average witnessed an increase from 17.1 to 20.4 delays. Furthermore, Washington's total employment growth rate improved in ranking from 24<sup>th</sup> to 15<sup>th</sup>. Conversely, however, Washington also realized substantial regressions in some indicators. Washington's high wage industries' share of total employment growth declined in rank from 12<sup>th</sup> to 38<sup>th</sup>. Also, the unemployment rate declined in ranking from 37<sup>th</sup> to 46<sup>th</sup>.

These benchmarks and indicators can be viewed as a guideline for comparing Washington to other states. Based on current data, the comparison is a favorable one. Among the 33 variables tracked, Washington ranks in the top half of 24 categories. Washington ranks high in annual earnings per job (7<sup>th</sup>), annual earnings per job growth rate (1<sup>st</sup>), per capita income (11<sup>th</sup>), parks and recreation (4<sup>th</sup>), health (11<sup>th</sup>), foreign exports inclusive of transportation equipment (3<sup>rd</sup>), homicide rate (11<sup>th</sup>), bachelor's degree attainment (11<sup>th</sup>), high school attainment (1<sup>st</sup>), and public library circulation per capita (4<sup>th</sup>).

The following table is a snapshot of Washington's performance and ranking compared to last year's climate study. The analysis of the Washington State economy relative to the other 49 states and the nation as a whole begins on page 3. The description of each indicator and benchmark is followed by their associated tables and charts. In each case, the ranking is from best to worst with one being the best.

<b>Indicator/Benchmark</b>	<b>Performance</b>	<b>Rank</b>
<b><i>Economic Performance</i></b>		
Total Employment Growth Rate	Improved	Improved
Per Capita Personal Income	Improved	Improved
High Wage Industries' Share of Total Employment Growth	Worsened	Worsened
Annual Earnings Per Job	Improved	Improved
Annual Earnings Per Job Growth Rate	Worsened	Improved
Migration Rate	No Update	No Update
Foreign Exports	Worsened	Worsened
Foreign Exports (Excluding Transportation Equipment)	Worsened	Improved
Unemployment Rate	Worsened	Worsened
<b><i>Quality of Life</i></b>		
Homicide	Improved	Improved
Violent Crime	Improved	Improved
Arrest Rates for Violent Crime	Improved	Improved
Air Quality	Improved	Improved
Drinking Water	Improved	Improved
Toxins Released	Improved	Improved
State Health Index	Improved	Worsened
State Parks and Recreation Areas	Worsened	Same
State Arts	Improved	Improved
Public Library Service	Worsened	Worsened
<b><i>Education and Skills of the Workforce</i></b>		
Fourth Grade Reading	No Update	No Update
Fourth Grade Math	No Update	No Update
Student to Teacher Ratio	Improved	Same
Education Attainment: Completed Four Years of High School or More	Improved	Improved
Education Attainment: Completed Bachelor's Degree or More	Same	Worsened
Total Public Two and Four Year Combined Participation Rate	No Update	No Update
<b><i>Infrastructure</i></b>		
Interstate Miles in Poor Condition	Same	Worsened
Urban Roadway Congestion Index	Worsened	Worsened
FAA Air Traffic	Improved	Improved
<b><i>Cost of Doing Business</i></b>		
State and Local Tax Collections Per \$1,000 Personal Income	Improved	Improved
Unemployment Insurance Costs	Improved	Improved
Workers' Compensation Premium Costs	Improved	Worsened
Unit Labor Costs	No Update	No Update
Energy Prices	No Update	No Update

# Economic Performance

*Seven out of the nine economic performance indicators ranked in the top half of the nation, and three ranked in the top ten.*

*Washington's rank improved in five of the nine categories. One benchmark remained unchanged due to the unavailability of data.*

# Total Employment Growth Rate

The United States job market experienced its tenth consecutive year of expansion in 2000, becoming the longest expansionary period on record. The U.S. realized a 2.3 percent employment growth rate in 2000, the same as its average employment growth rate over the period 1996 to 2000, although signs emerged towards the end of the year indicating that the employment growth rate would slow considerably.

Washington realized an employment growth rate of 2.6 percent in 2000, up slightly from 2.1 in 1999. However, the employment growth rate is down considerably compared to the period 1996-1998. Washington's economy realized an exceptional total employment growth rate over the period 1996-1998 due to aerospace expansion. In 1997, Washington achieved an employment growth rate of 4.1 percent; Washington's highest in nearly a decade. Washington's employment growth rate has historically followed the fluctuations of the aerospace cycle, as the Boeing Company is Washington's largest private employer.

Beginning in 1999, Washington's economy began to realize periods of slower total employment growth. The loss of approximately 13,500 aerospace jobs in 1999 was the primary contributor to this slowdown. The aerospace contraction slowed in early 2000 and ended in mid 2000, resulting in above-average growth for that year. This improved our rank for 2000 from 24<sup>th</sup> to 15<sup>th</sup>.

Chart 1  
Total Employment Growth Rate

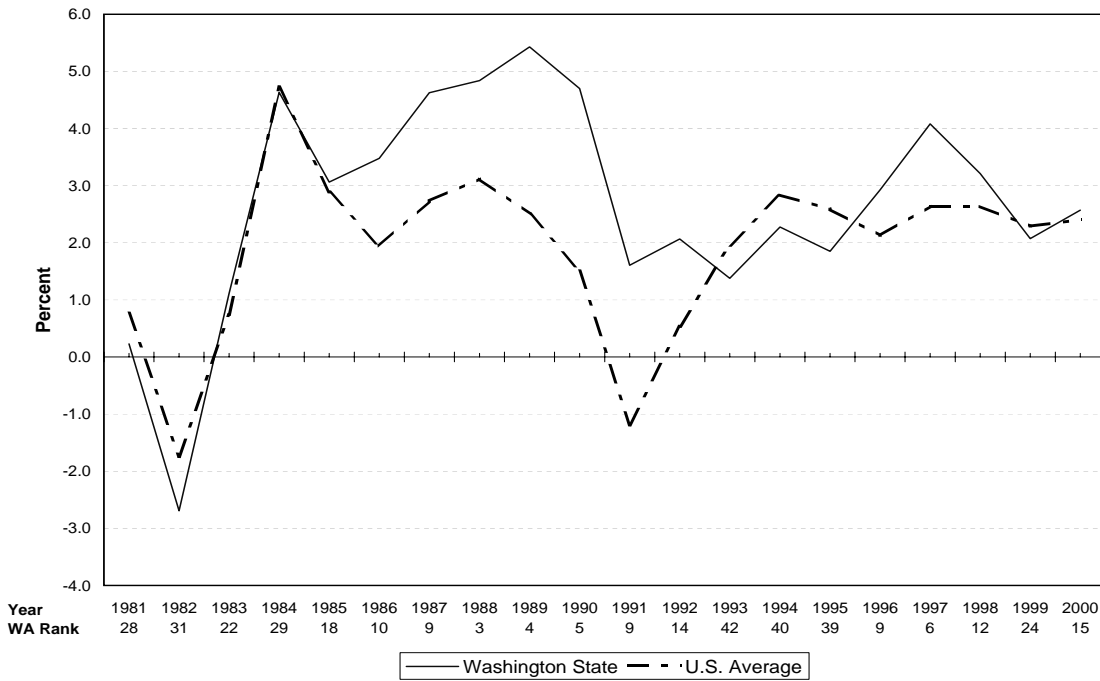


Table 1  
Economic Performance  
**Total Employment Growth Rate**  
(Percent)

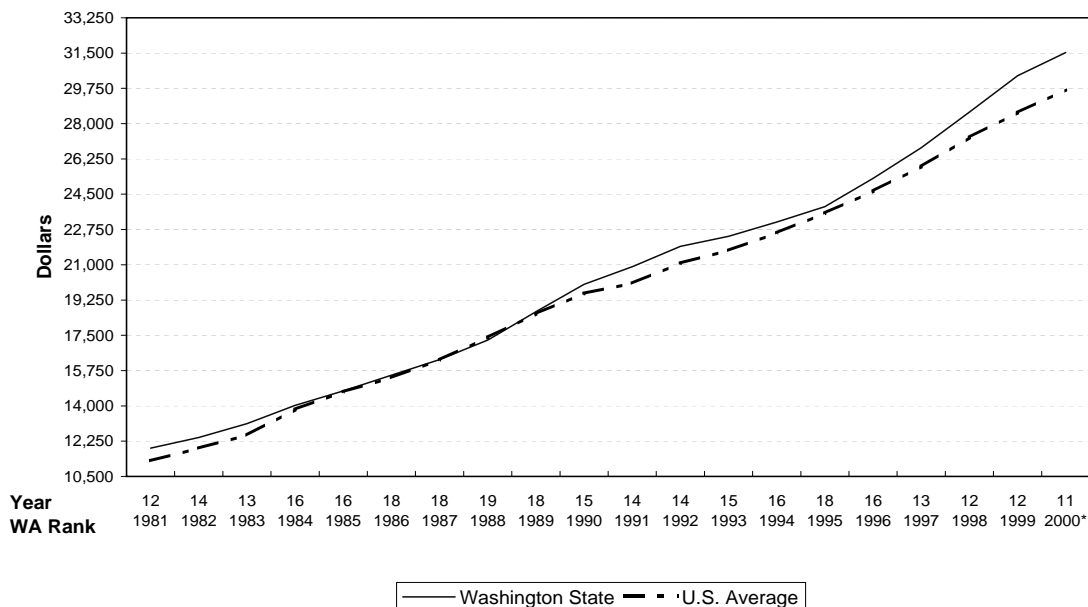
	1996	1997	1998	1999	2000	1996-00
Alabama	1.4	2.1	1.7	1.1	0.7	1.4
Alaska	0.6	1.9	2.3	1.0	2.2	1.6
Arizona	5.4	4.9	4.5	4.3	3.9	4.6
Arkansas	1.6	1.7	1.6	1.7	1.7	1.7
California	2.6	3.0	3.6	2.9	3.8	3.2
Colorado	3.6	4.2	3.9	3.6	3.9	3.8
Connecticut	1.4	1.8	1.9	1.6	1.5	1.6
Delaware	2.7	3.1	3.2	3.2	1.9	2.8
Florida	3.1	3.7	3.5	2.9	3.7	3.4
Georgia	3.7	2.5	3.5	3.8	2.8	3.3
Hawaii	-0.4	0.2	-0.1	0.7	3.1	0.7
Idaho	3.3	3.4	2.3	3.3	3.9	3.2
Illinois	1.6	1.5	2.2	1.0	1.2	1.5
Indiana	1.0	1.6	2.1	1.8	1.4	1.6
Iowa	1.9	1.7	2.5	1.8	0.7	1.7
Kansas	2.4	3.4	3.5	1.1	1.4	2.4
Kentucky	1.8	2.4	2.4	2.4	1.6	2.1
Louisiana	2.1	2.2	2.1	0.4	1.9	1.7
Maine	0.8	2.1	2.8	3.0	3.0	2.3
Maryland	1.3	2.5	2.5	2.7	2.6	2.3
Massachusetts	2.0	2.4	2.2	1.8	2.5	2.2
Michigan	2.0	2.0	1.0	1.9	2.1	1.8
Minnesota	2.3	2.4	2.6	2.3	2.1	2.3
Mississippi	1.3	1.7	2.4	1.7	0.3	1.5
Missouri	1.8	2.8	1.7	1.6	1.1	1.8
Montana	2.7	1.3	2.2	2.0	2.3	2.1
Nebraska	2.3	2.3	2.6	1.9	1.9	2.2
Nevada	7.2	5.7	4.0	6.2	4.7	5.5
New Hampshire	2.6	3.0	3.3	2.9	2.5	2.8
New Jersey	1.1	2.4	2.0	2.6	2.4	2.1
New Mexico	1.8	2.0	1.6	1.3	2.0	1.7
New York	0.6	1.6	2.1	2.7	2.1	1.8
North Carolina	2.5	3.3	3.0	2.6	2.0	2.7
North Dakota	2.3	1.7	1.7	1.4	1.0	1.6
Ohio	1.4	1.8	1.7	1.5	1.4	1.6
Oklahoma	2.8	2.9	3.5	1.4	1.6	2.4
Oregon	4.0	3.5	1.7	1.5	1.8	2.5
Pennsylvania	1.0	1.9	1.6	1.7	2.0	1.6
Rhode Island	0.3	1.9	1.8	1.6	2.2	1.6
South Carolina	1.8	2.7	3.7	2.7	2.5	2.7
South Dakota	1.5	1.8	2.3	2.8	1.6	2.0
Tennessee	1.4	2.0	2.1	1.8	1.9	1.8
Texas	2.9	4.3	3.9	2.5	3.1	3.3
Utah	5.2	4.1	3.0	2.5	2.7	3.5
Vermont	1.8	1.6	2.0	2.3	2.4	2.0
Virginia	2.2	3.1	2.7	2.8	2.8	2.7
<b>Washington</b>	<b>2.9</b>	<b>4.1</b>	<b>3.2</b>	<b>2.1</b>	<b>2.6</b>	<b>3.0</b>
West Virginia	1.6	1.3	1.6	0.9	1.3	1.4
Wisconsin	1.6	2.1	2.3	2.4	1.8	2.1
Wyoming	0.8	1.5	1.7	2.1	2.7	1.8
U.S. Average	2.6	2.1	2.6	2.6	2.3	2.3
<b>Washington's Rank</b>	<b>9</b>	<b>6</b>	<b>12</b>	<b>24</b>	<b>15</b>	<b>10</b>

# Per Capita Personal Income

The Bureau of Economic Analysis defines personal income as the sum of earnings, dividends, interest, rent, and transfer payments. In 2000, Washington ranked 11<sup>th</sup> among the states with a per capita personal income (PCPI) of \$31,528, considerably above the national average of \$29,676. Washington's PCPI increased \$1,148 from 1999 to 2000 and its ranking improved slightly from 12<sup>th</sup> to 11<sup>th</sup> among the states.

Since 1996, Washington's PCPI has grown at an average annual rate of 5.7 percent. This rate of growth ranked 5<sup>th</sup> among the states. Over the same period, U.S. PCPI grew at 4.7 percent annually. While Washington has averaged a ranking of 13<sup>th</sup> for the last five years, its above-average growth rate has resulted in a steadily improving rank.

Chart 2  
Per Capita Personal Income



**Table 2**  
**Economic Performance**  
**Per Capita Personal Income**  
**(Dollars)**

	1996	1997	1998	1999	2000*	1996-2000
Alabama	20,329	21,129	22,118	22,972	23,471	22,004
Alaska	26,057	27,080	27,950	28,629	30,064	27,956
Arizona	21,611	22,780	24,133	25,173	25,578	23,855
Arkansas	19,442	20,228	21,256	22,233	22,257	21,083
California	25,563	26,742	28,264	29,856	32,275	28,540
Colorado	26,231	27,951	29,856	31,533	32,949	29,704
Connecticut	33,472	35,619	37,861	39,543	40,640	37,427
Delaware	26,640	27,407	29,220	30,701	31,255	29,045
Florida	24,616	25,721	26,931	27,781	28,145	26,639
Georgia	23,586	24,546	26,145	27,324	27,940	25,908
Hawaii	25,661	26,249	26,732	27,533	28,221	26,879
Idaho	20,353	20,837	21,922	22,871	24,180	22,032
Illinois	27,005	28,356	30,006	31,138	32,259	29,753
Indiana	22,775	23,748	25,140	26,157	27,011	24,966
Iowa	22,713	23,801	24,853	25,598	26,723	24,738
Kansas	23,121	24,358	25,606	26,705	27,816	25,521
Kentucky	20,155	21,221	22,358	23,227	24,294	22,251
Louisiana	20,254	21,208	22,351	22,839	23,334	21,998
Maine	21,293	22,304	23,529	24,582	25,623	23,466
Maryland	27,844	29,222	30,841	32,517	33,872	30,859
Massachusetts	29,618	31,330	33,407	35,527	37,992	33,575
Michigan	24,447	25,570	26,802	28,104	29,612	26,907
Minnesota	26,267	27,523	29,474	30,742	32,101	29,221
Mississippi	18,044	18,888	19,982	20,686	20,993	19,719
Missouri	23,099	24,254	25,444	26,404	27,445	25,329
Montana	19,383	20,173	21,307	21,997	22,569	21,086
Nebraska	24,045	24,591	25,874	27,047	27,829	25,877
Nevada	27,142	28,204	29,804	31,004	30,529	29,337
New Hampshire	26,042	27,613	29,596	31,325	33,332	29,582
New Jersey	30,795	32,369	34,151	35,612	36,983	33,982
New Mexico	19,478	20,233	21,171	21,836	22,203	20,984
New York	29,266	30,510	32,261	33,901	34,547	32,097
North Carolina	22,940	24,189	25,452	26,417	27,194	25,238
North Dakota	21,166	20,801	22,733	23,273	25,068	22,608
Ohio	23,613	24,916	26,189	27,171	28,400	26,058
Oklahoma	20,151	21,106	22,206	22,958	23,517	21,988
Oregon	23,649	24,844	25,996	26,958	28,350	25,960
Pennsylvania	24,838	26,087	27,377	28,619	29,539	27,292
Rhode Island	25,123	26,640	28,020	29,335	29,685	27,761
South Carolina	20,403	21,384	22,545	23,538	24,321	22,438
South Dakota	21,736	22,286	23,792	25,041	26,115	23,794
Tennessee	22,450	23,326	24,595	25,548	26,239	24,431
Texas	22,557	24,228	25,793	26,834	27,871	25,457
Utah	19,955	21,156	22,291	23,276	23,907	22,117
Vermont	22,295	23,361	24,810	25,845	26,901	24,642
Virginia	25,495	26,763	28,369	29,794	31,162	28,317
<b>Washington</b>	<b>25,287</b>	<b>26,802</b>	<b>28,579</b>	<b>30,380</b>	<b>31,528</b>	<b>28,515</b>
West Virginia	18,566	19,389	20,215	20,921	21,915	20,201
Wisconsin	23,554	24,791	26,227	27,370	28,232	26,035
Wyoming	22,098	23,818	24,919	26,363	27,230	24,886
U.S. Average**	24,651	25,874	27,321	28,546	29,676	27,213
<b>Washington's Rank</b>	<b>16</b>	<b>13</b>	<b>12</b>	<b>12</b>	<b>11</b>	<b>13</b>

\*Per Capita Personal Income was calculated by using July population estimates for the years 1989-1999. For 2000, the April 1, 2000 decennial census population counts as released by the Census Bureau on December 28, 2000 were used to calculate the PCPI [see appendix A]. Updated Total Income estimates were used for all years to calculate PCPI.

\*\*The U.S. Average includes Washington D.C., which makes it higher than the 50 State Average.

Source: U.S. Department of Commerce, Bureau of Economic Analysis. May 2001. ([www.bea.doc.gov](http://www.bea.doc.gov))

# High Wage Industries' Share of Total Employment Growth

Washington's high wage employment growth is largely related to the aerospace and technology sectors. Washington has historically ranked moderately well in the area of high wage employment growth. Aerospace expansion coupled with continued growth in software boosted state performance between 1996 and 1998; 1997 was an exceptional year with 50.4 percent of job growth occurring in high wage sectors, ranking 6<sup>th</sup> among all states. From 1998 to 1999, however, high wage industries' share of total employment growth declined considerably. Washington's percent of total employment growth resulting from high wage industries declined from 45.7 percent to 15.3 percent, dropping Washington's ranking from 12<sup>th</sup> to 38<sup>th</sup> among all states.

The most recent cyclical aerospace contraction resulted in numerous industry lay-offs and plant closures that have a dramatic impact on high wage employment growth. Due to this contraction, approximately 13,500 aerospace jobs were lost in 1999. Without these job losses, Washington's rank would have been 15<sup>th</sup>, with 28.8% of job growth coming from high wage jobs.

Chart 3  
High Wage Industries' Share of Total Employment Growth

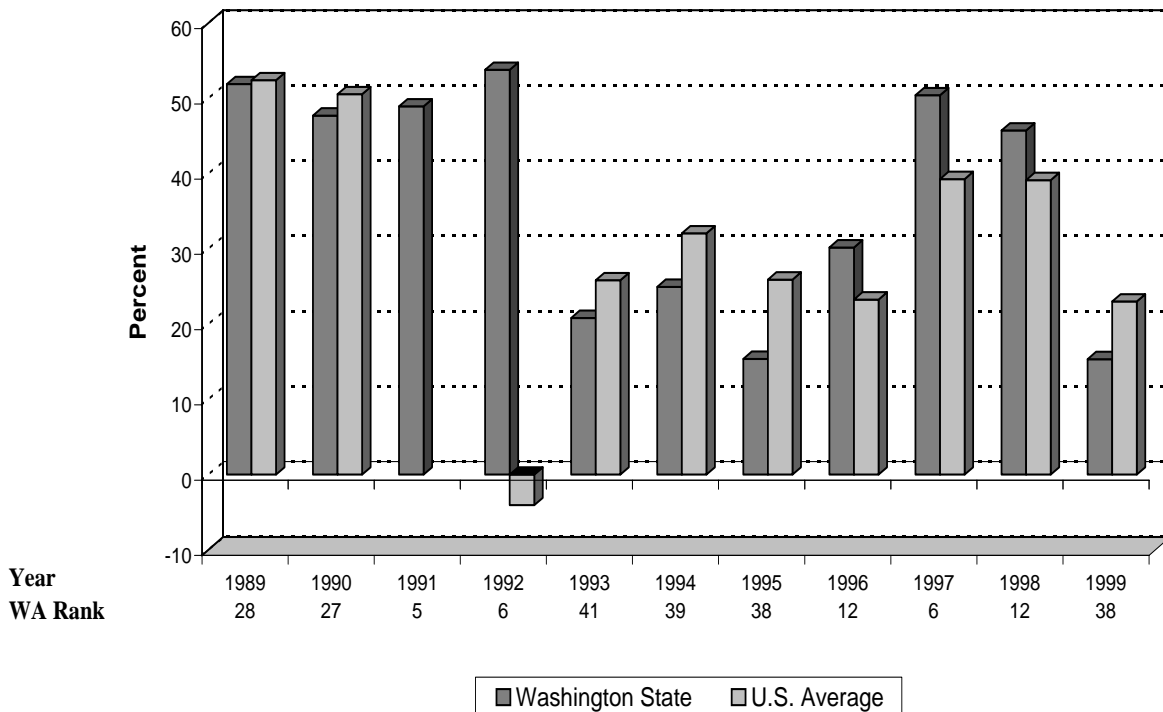


Table 3  
Economic Performance  
**High Wage Industries' Share of Total Employment Growth**  
(Percent)

	1994-95	1995-96	1996-97	1997-98	1998-99	1994-99
Alabama	26.3	17.6	36.3	39.5	5.5	27.7
Alaska	-120.1	-32.8	19.9	-336.5	1008.2	-1.3
Arizona	37.3	33.9	32.4	36.8	14.7	31.8
Arkansas	33.0	20.6	43.4	46.5	21.8	32.7
California	13.9	20.7	42.8	34.5	23.8	27.3
Colorado	20.1	22.2	34.7	40.6	29.9	30.0
Connecticut	-16.6	-2.6	32.5	30.6	9.3	9.9
Delaware	17.7	11.1	35.1	57.4	23.2	29.0
Florida	32.0	33.3	36.6	33.8	22.9	31.6
Georgia	30.6	29.0	43.5	48.0	34.1	36.5
Hawaii	238.1*	1789.3*	-124.7	23.4	-19.5	-319.0
Idaho	23.5	36.7	41.3	23.8	60.9	36.5
Illinois	32.4	12.2	36.3	34.2	14.5	27.3
Indiana	30.3	15.9	37.9	36.2	26.5	30.4
Iowa	27.9	11.5	53.7	50.0	23.9	33.0
Kansas	21.3	16.5	47.5	41.6	22.3	31.6
Kentucky	29.8	33.0	44.0	59.4	31.8	38.4
Louisiana	16.1	33.1	38.5	39.8	-79.2	23.0
Maine	12.3	26.2	22.6	37.8	46.0	34.3
Maryland	11.3	13.2	36.9	37.9	25.3	26.2
Massachusetts	36.9	21.9	36.5	39.4	10.3	29.7
Michigan	34.3	27.8	32.8	32.7	23.4	30.3
Minnesota	34.9	38.9	44.5	31.3	40.1	37.3
Mississippi	34.7	22.5	28.8	56.9	9.1	31.6
Missouri	32.0	39.9	45.4	33.1	26.2	35.7
Montana	12.1	12.9	29.5	34.8	38.5	24.1
Nebraska	49.4	12.6	49.7	46.7	28.6	34.7
Nevada	28.4	26.8	27.1	38.2	21.0	27.6
New Hampshire	50.3	35.6	36.7	37.3	26.4	36.7
New Jersey	17.8	1.2	40.2	39.7	28.0	27.8
New Mexico	28.1	15.2	36.8	21.5	-1.0	23.8
New York	-47.3	-18.6	37.1	33.1	26.1	20.2
North Carolina	34.0	39.3	42.2	49.1	36.7	39.8
North Dakota	63.6	25.5	67.8	33.1	55.2	46.6
Ohio	34.1	22.2	38.9	40.1	20.8	32.0
Oklahoma	15.4	14.0	48.6	41.9	-4.4	26.2
Oregon	35.4	30.9	40.4	51.3	21.7	35.7
Pennsylvania	6.5	-4.1	40.8	34.1	21.6	22.8
Rhode Island	27.9	19.2	54.2	40.4	24.4	34.5
South Carolina	17.7	26.0	39.0	53.9	46.0	36.7
South Dakota	46.7	13.4	64.2	36.7	41.3	39.6
Tennessee	37.8	30.1	31.6	43.2	28.9	34.7
Texas	37.4	29.4	44.4	44.5	15.0	36.2
Utah	39.2	33.3	35.7	41.2	21.1	34.5
Vermont	66.9	7.1	22.8	30.7	49.3	34.5
Virginia	11.1	22.5	24.4	33.6	27.9	24.1
<b>Washington</b>	<b>15.4</b>	<b>30.2</b>	<b>50.4</b>	<b>45.7</b>	<b>15.3</b>	<b>34.9</b>
West Virginia	12.9	14.6	28.7	29.9	-34.6	16.6
Wisconsin	38.6	29.4	43.1	47.9	23.5	36.3
Wyoming	-19.5	0.4	81.9	40.8	21.5	26.5
U.S. Average	25.9	23.3	39.3	39.1	23.0	30.5
<b>Washington's Rank</b>	<b>38</b>	<b>12</b>	<b>6</b>	<b>12</b>	<b>38</b>	<b>14</b>

\* Total employment growth rate was negative.

Source: Washington State Office of the Forecast Council based on personal income data provided by the U.S. Department of Commerce, Bureau of Economic Analysis. May 2001.

# Annual Earnings Per Job

The Bureau of Economic Analysis defines earnings as salary income, other labor income, and proprietors' income. Historically, Washington has ranked high in annual earnings per job due to an industry mix that favors high wage employment and stock option income. Washington's average annual earnings per job increased to \$36,668 in 1999, up \$2,120 from 1998. Consequently, Washington's national rank improved from 9<sup>th</sup> (1998) to 7<sup>th</sup> (1999). Washington's real total earnings (in 1992 constant dollars) have nearly tripled in amount from 37.4 billion in 1970 to 109.8 billion in 1999.

Chart 4  
Annual Earnings Per Job

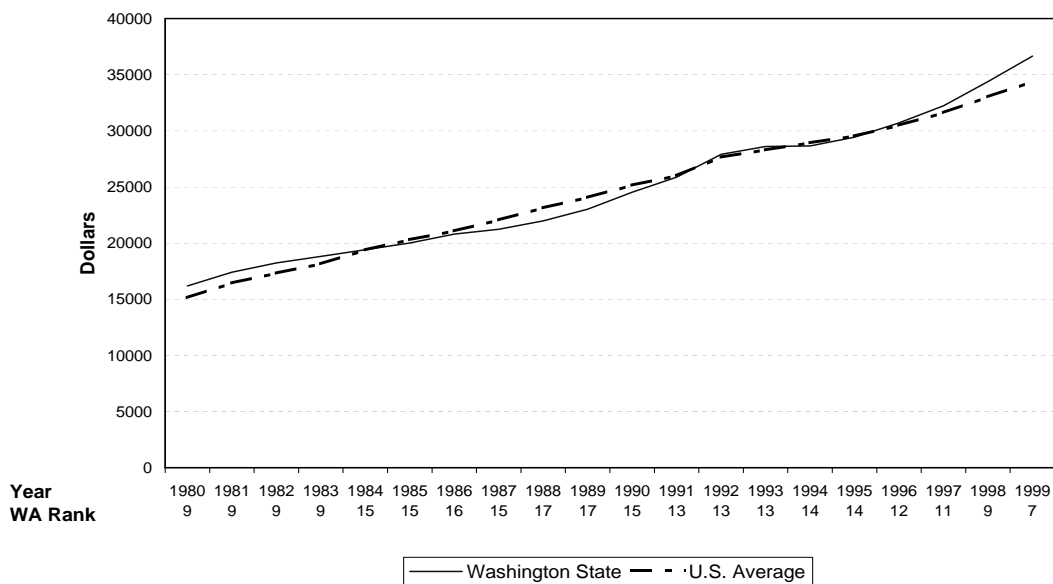


Table 4  
Economic Performance  
**Annual Earnings Per Job**  
(Dollars)

	1995	1996	1997	1998	1999	1995-99
Alabama	25,773	26,364	26,934	27,813	28,869	27,151
Alaska	33,495	33,275	33,573	34,041	34,265	33,730
Arizona	26,789	27,473	28,439	30,078	31,312	28,818
Arkansas	22,892	23,676	24,240	25,195	26,224	24,445
California	32,404	33,363	35,061	36,625	38,689	35,228
Colorado	28,309	29,368	30,708	32,636	34,545	31,113
Connecticut	36,792	37,801	40,085	41,810	43,599	40,017
Delaware	31,648	32,135	33,137	34,804	35,871	33,519
Florida	26,758	27,478	28,099	29,448	30,232	28,403
Georgia	28,591	29,779	30,999	32,698	34,261	31,266
Hawaii	29,991	30,084	30,582	30,948	31,556	30,632
Idaho	24,064	24,405	24,523	25,598	26,815	25,081
Illinois	32,278	33,562	34,962	36,441	37,909	35,030
Indiana	26,532	27,412	28,231	29,506	30,314	28,399
Iowa	23,151	24,644	25,347	25,781	26,292	25,043
Kansas	24,373	25,347	26,247	27,248	28,416	26,326
Kentucky	24,325	25,182	26,038	26,995	27,838	26,076
Louisiana	26,213	26,682	27,438	28,428	28,790	27,510
Maine	23,648	24,377	25,059	25,960	26,979	25,205
Maryland	30,800	31,501	32,643	34,033	35,341	32,864
Massachusetts	34,085	35,624	36,928	38,767	41,262	37,333
Michigan	32,754	32,594	33,411	34,838	36,046	33,929
Minnesota	27,276	28,894	29,797	31,527	32,739	30,047
Mississippi	22,607	23,331	24,007	25,042	25,603	24,118
Missouri	26,164	27,101	28,029	28,919	29,836	28,010
Montana	20,855	20,945	21,368	22,118	22,912	21,640
Nebraska	24,205	26,110	26,307	27,100	28,059	26,356
Nevada	29,686	30,420	30,960	32,498	33,733	31,459
New Hampshire	27,191	28,227	29,498	31,113	32,336	29,673
New Jersey	37,065	38,571	39,951	41,545	42,982	40,023
New Mexico	24,424	24,856	25,660	26,657	27,314	25,782
New York	37,769	39,803	41,143	42,806	44,589	41,222
North Carolina	26,195	26,976	27,886	29,083	30,181	28,064
North Dakota	20,161	22,440	20,964	23,142	23,017	21,945
Ohio	28,382	28,818	29,944	31,039	31,909	30,018
Oklahoma	23,918	24,284	25,208	26,019	26,893	25,264
Oregon	26,345	27,287	28,254	29,211	30,348	28,289
Pennsylvania	30,155	31,092	32,000	33,295	34,321	32,173
Rhode Island	28,460	29,228	30,382	31,600	32,604	30,455
South Carolina	24,715	25,377	26,020	27,048	28,058	26,244
South Dakota	20,835	22,777	22,705	24,010	24,946	23,055
Tennessee	26,700	27,256	28,043	29,106	30,116	28,244
Texas	28,857	29,955	31,665	33,490	35,043	31,802
Utah	24,517	25,053	26,011	27,060	28,051	26,138
Vermont	23,328	24,176	24,850	25,933	26,996	25,057
Virginia	29,079	30,010	31,213	32,760	34,281	31,469
<b>Washington</b>	<b>29,439</b>	<b>30,713</b>	<b>32,235</b>	<b>34,381</b>	<b>36,661</b>	<b>32,686</b>
West Virginia	24,469	24,785	25,272	25,872	26,552	25,390
Wisconsin	25,886	26,618	27,525	28,735	29,640	27,681
Wyoming	23,213	23,221	24,473	24,862	26,034	24,361
U.S. Average	29,540	30,493	31,612	33,020	34,377	31,808
<b>Washington's Rank</b>	<b>14</b>	<b>12</b>	<b>11</b>	<b>9</b>	<b>7</b>	<b>11</b>

Source: U.S. Department of Commerce. Bureau of Economic Analysis. State Personal Income 1929-99 CD.

# Annual Earnings Per Job Growth Rate

Earnings growth is an important benchmark when assessing the economic progress of a state. For living standards to increase, it is necessary for income growth to exceed the rate of inflation. Since 1997, Washington has realized outstanding earnings growth, ranking in the top 5 among the states. In 1999, Washington's earnings per job growth rate of 6.6 percent ranked 1<sup>st</sup> among the states. Washington's 1999 earnings growth rate was substantially higher than the U.S. Average of 4.1 percent.

Chart 5  
Annual Earnings Per Job Growth Rate

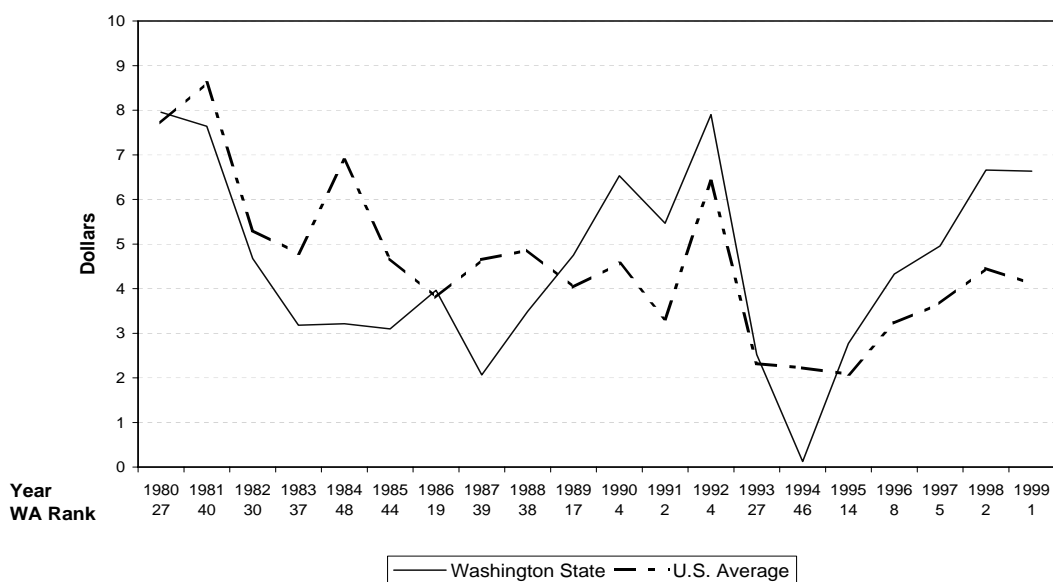


Table 5  
Economic Performance  
**Annual Earnings Per Job Growth Rate**  
(Dollars)

	1995	1996	1997	1998	1999	1995-99
Alabama	0.9	2.3	2.2	3.3	3.8	2.5
Alaska	0.5	-0.7	0.9	1.4	0.7	0.6
Arizona	3.6	2.6	3.5	5.8	4.1	3.9
Arkansas	1.1	3.4	2.4	3.9	4.1	3.0
California	1.5	3.0	5.1	4.5	5.6	3.9
Colorado	4.0	3.7	4.6	6.3	5.8	4.9
Connecticut	2.0	2.7	6.0	4.3	4.3	3.9
Delaware	-0.2	1.5	3.1	5.0	3.1	2.5
Florida	2.5	2.7	2.3	4.8	2.7	3.0
Georgia	2.9	4.2	4.1	5.5	4.8	4.3
Hawaii	0.2	0.3	1.7	1.2	2.0	1.1
Idaho	2.0	1.4	0.5	4.4	4.8	2.6
Illinois	2.2	4.0	4.2	4.2	4.0	3.7
Indiana	1.0	3.3	3.0	4.5	2.7	2.9
Iowa	-1.1	6.4	2.9	1.7	2.0	2.4
Kansas	0.0	4.0	3.6	3.8	4.3	3.1
Kentucky	-0.3	3.5	3.4	3.7	3.1	2.7
Louisiana	1.5	1.8	2.8	3.6	1.3	2.2
Maine	1.7	3.1	2.8	3.6	3.9	3.0
Maryland	1.9	2.3	3.6	4.3	3.8	3.2
Massachusetts	3.9	4.5	3.7	5.0	6.4	4.7
Michigan	3.3	-0.5	2.5	4.3	3.5	2.6
Minnesota	1.1	5.9	3.1	5.8	3.8	4.0
Mississippi	1.3	3.2	2.9	4.3	2.2	2.8
Missouri	2.1	3.6	3.4	3.2	3.2	3.1
Montana	1.3	0.4	2.0	3.5	3.6	2.2
Nebraska	3.5	7.9	0.8	3.0	3.5	3.7
Nevada	3.6	2.5	1.8	5.0	3.8	3.3
New Hampshire	3.4	3.8	4.5	5.5	3.9	4.2
New Jersey	3.3	4.1	3.6	4.0	3.5	3.7
New Mexico	0.8	1.8	3.2	3.9	2.5	2.4
New York	3.9	5.4	3.4	4.0	4.2	4.2
North Carolina	1.9	3.0	3.4	4.3	3.8	3.3
North Dakota	-3.2	11.3	-6.6	10.4	-0.5	2.3
Ohio	1.1	1.5	3.9	3.7	2.8	2.6
Oklahoma	-0.5	1.5	3.8	3.2	3.4	2.3
Oregon	2.2	3.6	3.5	3.4	3.9	3.3
Pennsylvania	1.8	3.1	2.9	4.0	3.1	3.0
Rhode Island	3.9	2.7	3.9	4.0	3.2	3.6
South Carolina	1.7	2.7	2.5	4.0	3.7	2.9
South Dakota	-2.3	9.3	-0.3	5.7	3.9	3.3
Tennessee	3.6	2.1	2.9	3.8	3.5	3.2
Texas	2.5	3.8	5.7	5.8	4.6	4.5
Utah	3.2	2.2	3.8	4.0	3.7	3.4
Vermont	2.0	3.6	2.8	4.4	4.1	3.4
Virginia	1.6	3.2	4.0	5.0	4.6	3.7
Washington	<b>2.8</b>	<b>4.3</b>	<b>5.0</b>	<b>6.7</b>	<b>6.6</b>	<b>5.1</b>
West Virginia	0.4	1.3	2.0	2.4	2.6	1.7
Wisconsin	1.7	2.8	3.4	4.4	3.1	3.1
Wyoming	0.8	0.0	5.4	1.6	4.7	2.5
U.S. Average	2.1	3.2	3.7	4.5	4.1	3.5
<b>Washington's Rank</b>	<b>14</b>	<b>8</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>1</b>

Source: U.S. Department of Commerce. Bureau of Economic Analysis. State Personal Income 1929-99 CD.

# Migration Rate

(Not updated due to unavailability of data.)

Washington saw another drop in the migration rate in 1999. Migrants added 0.6 percent to the state's population growth, compared to 0.8 percent in 1998, giving the state a ranking of 13<sup>th</sup>. Over the past five years, migrants have added an average of 0.9 percent to Washington's population growth, compared to the U.S. average of 0.3 percent. This high rate of net immigration placed the state at 9<sup>th</sup> for the period 1995 through 1999. Washington's ability to attract new residents attests to the increasing economic opportunity and quality of life in the Evergreen State.

Chart 6  
Migration Rate

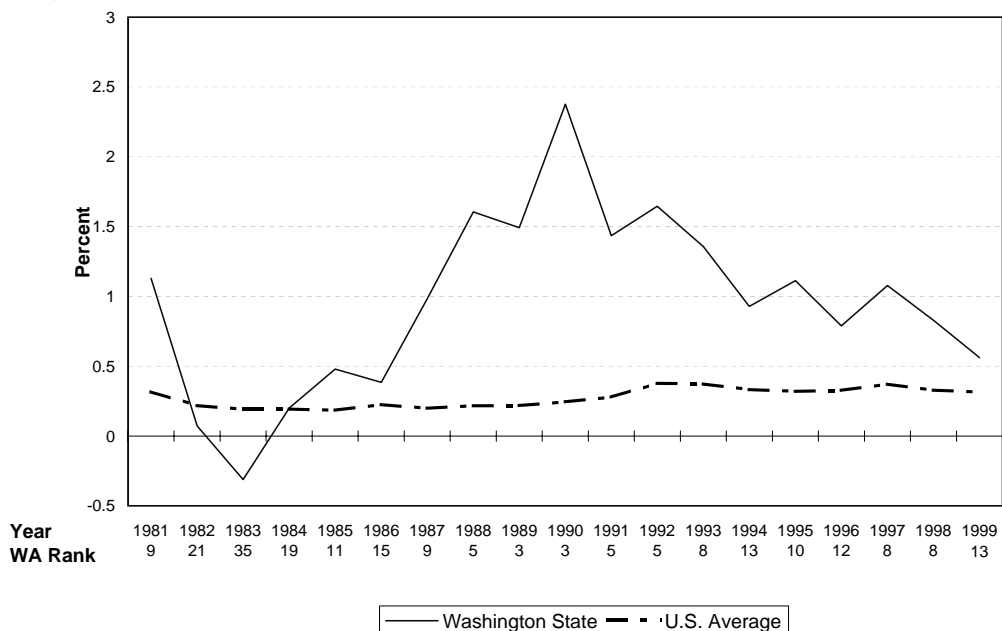


Table 6  
Economic Performance  
**Migration Rate**  
(Percent)\*

	1995	1996	1997	1998	1999	1995-99
Alabama	0.3	0.3	0.3	0.3	0.0	0.2
Alaska	-1.2	-0.6	-0.6	-0.1	-0.5	-0.6
Arizona	3.0	2.0	1.8	1.6	1.5	2.0
Arkansas	0.8	0.6	0.4	0.2	0.1	0.4
California	-0.5	-0.1	0.4	0.5	0.5	0.2
Colorado	1.5	1.2	1.3	1.2	1.4	1.3
Connecticut	-0.6	-0.4	-0.4	-0.3	-0.1	-0.4
Delaware	0.8	0.7	0.6	0.7	0.7	0.7
Florida	1.3	1.5	1.5	1.3	1.1	1.3
Georgia	1.2	1.3	1.3	1.2	1.2	1.2
Hawaii	-0.4	-0.6	-0.4	-0.7	-1.3	-0.7
Idaho	1.8	1.1	1.1	0.9	0.9	1.1
Illinois	-0.0	-0.1	-0.2	-0.2	-0.2	-0.1
Indiana	0.3	0.2	0.1	0.1	0.1	0.2
Iowa	0.1	-0.0	-0.1	-0.1	-0.0	-0.0
Kansas	0.1	-0.0	0.2	0.3	0.0	0.1
Kentucky	0.4	0.3	0.3	0.3	0.3	0.3
Louisiana	-0.1	-0.3	-0.3	-0.4	-0.4	-0.3
Maine	-0.2	0.2	0.2	0.1	0.3	0.1
Maryland	0.1	0.1	0.1	0.2	0.2	0.1
Massachusetts	0.1	-0.0	0.1	0.1	0.1	0.0
Michigan	0.2	0.3	-0.0	-0.1	-0.0	0.1
Minnesota	0.3	0.4	0.3	0.3	0.5	0.3
Mississippi	0.4	0.2	0.3	0.2	0.1	0.2
Missouri	0.5	0.5	0.4	0.2	0.2	0.3
Montana	1.2	0.5	-0.1	-0.2	0.1	0.3
Nebraska	0.3	0.3	0.0	-0.2	-0.2	0.1
Nevada	3.9	3.8	4.1	3.2	2.9	3.6
New Hampshire	0.6	0.9	0.7	0.6	0.9	0.7
New Jersey	0.1	0.0	0.1	0.0	0.1	0.1
New Mexico	0.9	0.5	0.1	-0.2	-0.5	0.2
New York	-0.6	-0.6	-0.5	-0.5	-0.4	-0.5
North Carolina	1.2	1.2	1.1	1.0	0.8	1.1
North Dakota	-0.1	-0.2	-0.6	-0.8	-1.0	-0.5
Ohio	-0.1	-0.1	-0.2	-0.2	-0.2	-0.2
Oklahoma	0.2	0.4	0.3	0.3	0.1	0.3
Oregon	1.3	1.2	1.1	0.7	0.6	1.0
Pennsylvania	-0.2	-0.2	-0.3	-0.3	-0.2	-0.3
Rhode Island	-0.8	-0.5	-0.4	-0.2	0.0	-0.4
South Carolina	0.4	0.6	0.9	0.8	0.7	0.7
South Dakota	0.2	-0.2	-0.5	-0.4	-0.1	-0.2
Tennessee	1.1	1.0	0.8	0.6	0.5	0.8
Texas	0.8	0.8	0.8	0.8	0.7	0.8
Utah	0.9	0.8	0.6	0.1	-0.2	0.4
Vermont	0.3	0.3	0.1	0.1	0.2	0.2
Virginia	0.4	0.4	0.4	0.3	0.6	0.4
<b>Washington</b>	<b>1.1</b>	<b>0.8</b>	<b>1.1</b>	<b>0.8</b>	<b>0.6</b>	<b>0.9</b>
West Virginia	0.0	-0.1	-0.2	-0.2	-0.3	-0.2
Wisconsin	0.4	0.3	0.1	0.0	0.1	0.2
Wyoming	0.2	-0.2	-0.6	-0.5	-0.6	-0.3
U.S. Average*	0.3	0.3	0.4	0.3	0.3	0.3
<b>Washington's Rank</b>	<b>10</b>	<b>12</b>	<b>8</b>	<b>8</b>	<b>13</b>	<b>9</b>

\* The District of Columbia is included in the U.S. average.  
Source: U.S. Department of Commerce, Bureau of the Census, December 1999.

# Foreign Exports Inclusive and Exclusive of Transportation Equipment

Between 1996 and 2000, Washington ranked 2nd in total foreign exports as a percentage of income, with 22.29 percent of the state's total personal income attributable to foreign exports. In 2000, Washington fell slightly in ranking from 2<sup>nd</sup> to 3<sup>rd</sup>, yet its percentage of total personal income attributable to foreign exports (18.30 percent) was still substantially higher than the national average of 9.34 percent.

Washington's geographical position puts it in an ideal position to capitalize on the growing interdependence of the world economy. The transportation equipment sector, which includes Boeing and PACCAR, respectively the world's leading commercial aircraft and truck manufacturers, accounted for over half of Washington's exports. Even still, when transportation equipment exports are removed from the total export calculation, Washington still ranked 13<sup>th</sup> among all states in 2000. This demonstrates the vital role of international trade on Washington's economy.

Chart 7  
Foreign Exports

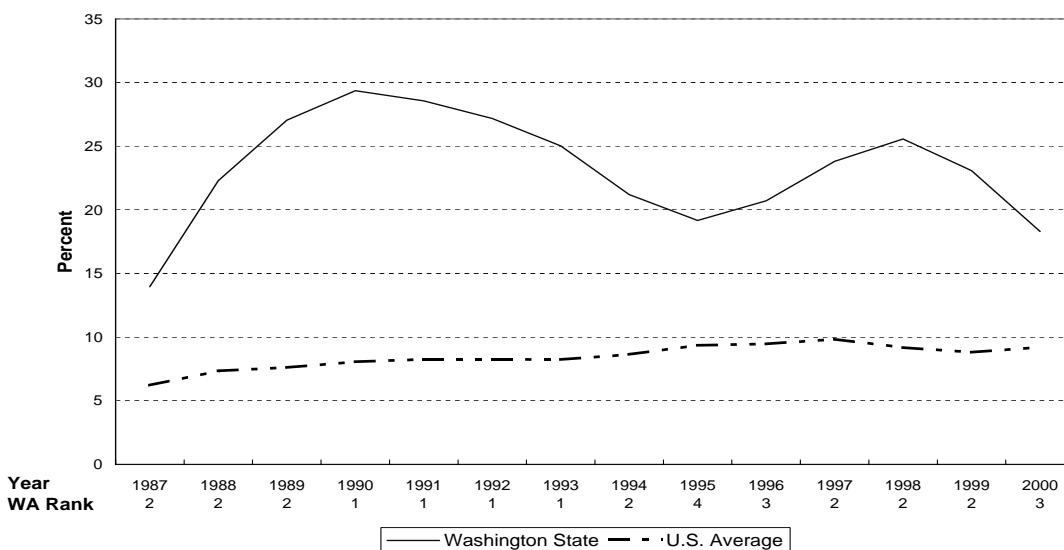


Table 7  
Economic Performance  
**Foreign Exports**  
(Percent of State Personal Income)

	1996	1997	1998	1999	2000	1996-00
Alabama	6.71	7.30	7.33	6.83	7.59	7.15
Alaska	19.83	18.13	12.09	15.53	13.87	15.89
Arizona	11.88	14.35	10.83	10.63	11.97	11.93
Arkansas	4.61	5.02	4.74	4.28	4.76	4.68
California	12.71	12.70	11.40	10.87	11.87	11.91
Colorado	5.33	5.13	4.80	4.99	5.00	5.05
Connecticut	6.25	6.68	6.64	6.13	6.25	6.39
Delaware	9.50	11.41	10.96	10.57	9.55	10.40
Florida	6.94	7.33	7.17	6.57	6.66	6.94
Georgia	7.26	7.98	3.74	7.13	7.07	6.64
Hawaii	1.01	1.17	0.15	0.90	1.22	0.89
Idaho	7.07	7.11	5.15	8.07	12.04	7.89
Illinois	8.29	8.54	8.75	8.42	8.42	8.49
Indiana	9.06	9.36	9.02	9.01	10.06	9.30
Iowa	7.55	8.33	7.56	6.05	6.13	7.12
Kansas	6.99	7.42	6.60	7.30	7.37	7.14
Kentucky	9.01	10.45	10.13	10.53	10.46	10.12
Louisiana	26.58	22.32	18.97	17.25	17.40	20.50
Maine	5.72	6.74	6.71	6.93	5.83	6.39
Maryland	4.21	4.05	3.39	2.67	2.81	3.42
Massachusetts	8.88	9.33	8.35	8.24	9.15	8.79
Michigan	12.50	13.79	11.91	12.20	12.31	12.54
Minnesota	8.01	8.10	7.17	6.94	6.99	7.44
Mississippi	6.12	5.26	4.67	4.35	4.98	5.08
Missouri	5.17	5.58	4.69	4.61	4.53	4.91
Montana	2.76	3.19	2.41	2.31	2.82	2.70
Nebraska	5.40	5.38	5.15	5.08	5.68	5.34
Nevada	3.22	2.46	1.49	2.10	2.58	2.37
New Hampshire	5.43	5.38	5.48	5.77	6.16	5.64
New Jersey	6.01	6.44	6.20	5.78	6.48	6.18
New Mexico	3.05	5.37	5.39	8.84	6.58	5.84
New York	7.23	7.53	7.13	6.56	7.13	7.12
North Carolina	10.52	10.15	9.06	8.19	8.84	9.35
North Dakota	5.56	6.26	5.48	5.01	4.14	5.29
Ohio	9.48	9.70	9.23	8.83	8.75	9.20
Oklahoma	3.96	4.34	4.22	4.32	4.11	4.19
Oregon	12.93	12.42	11.57	12.72	12.84	12.50
Pennsylvania	5.38	5.69	5.36	5.17	5.67	5.45
Rhode Island	4.07	4.52	4.33	4.15	4.12	4.24
South Carolina	9.85	10.42	9.98	8.64	9.47	9.67
South Dakota	3.00	3.40	2.76	2.87	3.63	3.13
Tennessee	7.52	8.11	7.94	7.70	8.38	7.93
Texas	17.26	18.15	17.37	17.11	19.34	17.85
Utah	9.10	8.28	7.54	7.06	6.57	7.71
Vermont	26.98	29.77	27.07	28.06	26.83	27.74
Virginia	7.96	7.84	7.16	6.19	5.69	6.97
<b>Washington</b>	<b>20.71</b>	<b>23.81</b>	<b>25.56</b>	<b>23.07</b>	<b>18.30</b>	<b>22.29</b>
West Virginia	6.98	7.16	6.26	5.42	5.95	6.36
Wisconsin	8.75	8.63	7.77	7.31	7.47	7.99
Wyoming	4.99	5.40	4.66	3.99	4.01	4.61
U.S. Average	9.46	9.83	9.18	8.81	9.20	9.30
<b>Washington's Rank</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>2</b>

Source: U.S. Department of Commerce, Bureau of the Census, Foreign Trade Division.  
Prepared by: Massachusetts Institute for Social and Economic Research, May 2000

Chart 8  
Foreign Exports (Excluding Transportation Equipment)

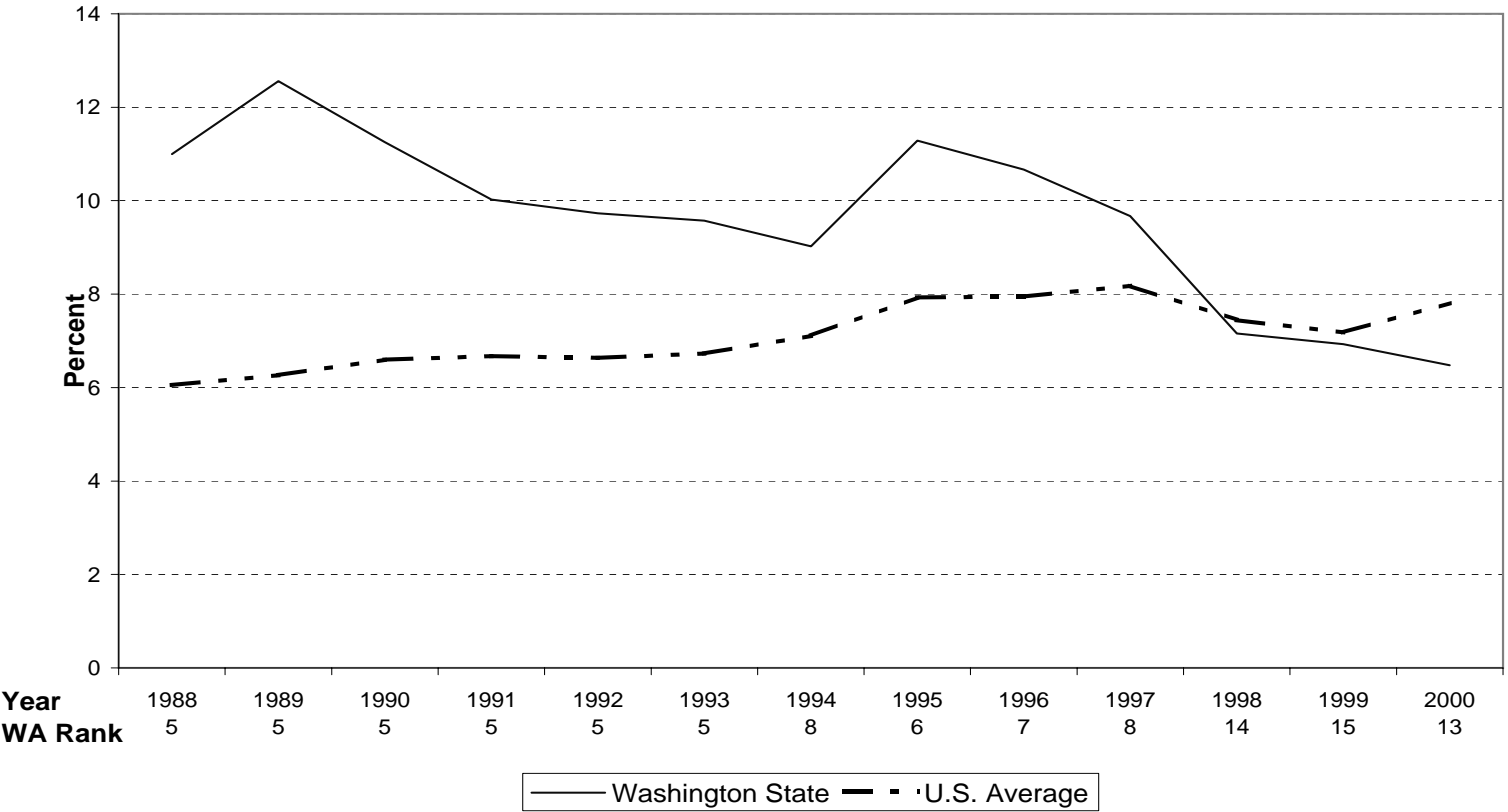


Table 8  
Economic Performance  
**Foreign Exports (Excluding Transportation Equipment)**  
(Percent of State Personal Income)

	1996	1997	1998	1999	2000	1996-00
Alabama	6.12	6.87	5.85	5.20	5.50	5.91
Alaska	19.01	17.92	11.84	15.37	12.83	15.40
Arizona	10.59	12.80	9.38	8.96	9.20	10.19
Arkansas	4.26	4.39	4.21	3.91	3.99	4.15
California	11.55	11.40	10.16	9.86	10.20	10.63
Colorado	5.20	4.96	4.59	4.78	4.47	4.80
Connecticut	4.50	4.74	4.18	3.98	3.52	4.19
Delaware	7.73	9.57	8.20	9.00	7.60	8.42
Florida	6.00	6.46	6.19	5.77	5.14	5.91
Georgia	6.43	6.76	3.09	5.67	5.44	5.48
Hawaii	0.93	1.05	0.13	0.80	1.00	0.78
Idaho	6.98	7.04	5.07	7.89	11.26	7.65
Illinois	7.35	7.61	7.30	6.93	6.23	7.08
Indiana	6.39	6.58	6.28	6.37	6.26	6.38
Iowa	7.18	7.94	7.20	5.61	5.24	6.63
Kansas	4.86	4.61	4.14	4.14	4.47	4.44
Kentucky	5.65	6.63	6.88	6.64	6.19	6.40
Louisiana	26.29	21.90	18.44	16.72	15.87	19.85
Maine	5.52	6.44	6.37	6.52	5.26	6.02
Maryland	2.52	2.53	2.39	2.23	2.21	2.38
Massachusetts	8.42	8.96	8.01	7.90	8.23	8.31
Michigan	5.85	6.67	5.91	5.82	4.82	5.81
Minnesota	7.04	7.50	6.65	6.49	6.08	6.75
Mississippi	5.94	5.08	4.25	4.18	4.25	4.74
Missouri	2.93	3.27	3.42	3.41	3.17	3.24
Montana	2.72	3.15	2.36	2.26	2.61	2.62
Nebraska	5.13	5.03	4.76	4.72	4.83	4.90
Nevada	3.09	2.29	1.35	1.79	2.22	2.15
New Hampshire	5.20	5.17	5.33	5.62	5.62	5.39
New Jersey	5.35	5.84	5.47	5.16	5.43	5.45
New Mexico	2.95	5.22	5.24	8.70	5.82	5.59
New York	6.28	6.66	6.23	5.87	5.93	6.19
North Carolina	9.47	9.42	8.49	7.69	7.70	8.55
North Dakota	4.87	5.60	4.72	4.39	3.37	4.59
Ohio	6.29	6.45	6.20	6.04	5.35	6.07
Oklahoma	3.40	3.74	3.42	3.26	2.83	3.33
Oregon	12.44	11.82	10.75	11.41	10.91	11.47
Pennsylvania	4.88	5.12	4.74	4.69	4.74	4.84
Rhode Island	3.96	4.40	4.21	4.04	3.71	4.06
South Carolina	8.59	8.96	8.52	7.51	7.26	8.17
South Dakota	2.84	3.24	2.62	2.72	3.34	2.95
Tennessee	5.95	6.41	6.35	6.13	6.01	6.17
Texas	15.83	16.64	15.55	15.24	15.85	15.82
Utah	8.12	7.24	6.62	5.98	4.87	6.57
Vermont	26.72	29.36	26.70	27.58	24.38	26.95
Virginia	7.23	7.31	6.54	5.49	4.81	6.27
<b>Washington</b>	<b>10.66</b>	<b>9.67</b>	<b>7.16</b>	<b>6.93</b>	<b>6.48</b>	<b>8.18</b>
West Virginia	6.88	7.06	6.17	5.29	5.40	6.16
Wisconsin	7.53	7.57	6.86	6.38	6.08	6.88
Wyoming	4.94	5.37	4.64	3.94	3.72	4.52
U.S. Average	7.95	8.18	7.45	7.18	7.81	7.71
<b>Washington's Rank</b>	<b>7</b>	<b>8</b>	<b>14</b>	<b>15</b>	<b>13</b>	<b>11</b>

Source: U.S. Department of Commerce, Bureau of the Census, Foreign Trade Division. Prepared by:  
Massachusetts Institute for Social and Economic Research. May 2000

# Unemployment Rate

In 2000, the national unemployment rate reached its lowest point in 31 years. The U.S. jobless rate declined two-tenths to 4.0 percent in 2000, with an average of 4.8 percent since 1996. Unemployment rates decreased in 33 states, of which 14 states had the lowest annual average rates in their series (series date back to 1976). Washington, however, reached its lowest annual rate in 33 years, 4.7 percent, in 1999, and its rate increased in 2000 to 5.2 percent, lowering its state rank to 46<sup>th</sup>.

Historically, Washington has nearly always had an unemployment rate higher than the national average. This is mainly attributable to the considerable number of seasonal industries in the state (i.e., agriculture, fishing, forest products and food processing). Washington had 127 industries designated as seasonal in 1999. Those 127 sectors translated into 413,189 workers, just under one-fifth of total private covered employment in Washington. The unemployment rate in areas of Washington with predominantly seasonal industries averages several points above the state average, while metropolitan and western region averages are consistently below the state average by up to one point and above.

Chart 9  
Unemployment Rate

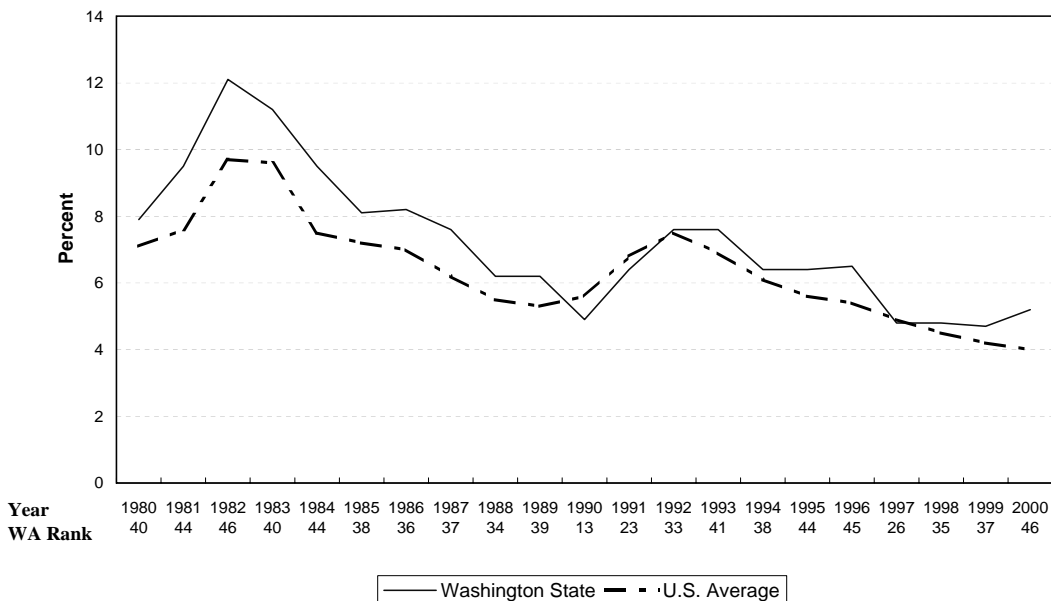


Table 9  
Economic Performance  
**Unemployment Rate**

	1996	1997	1998	1999	2000	1996-00
Alabama	5.1	5.1	4.2	4.8	4.6	4.8
Alaska	7.8	7.9	5.8	6.4	6.6	6.9
Arizona	5.5	4.6	4.1	4.4	3.9	4.5
Arkansas	5.4	5.3	5.5	4.5	4.4	5.0
California	7.2	6.3	5.9	5.2	4.9	5.9
Colorado	4.2	3.3	3.8	2.9	2.7	3.4
Connecticut	5.7	5.1	3.4	3.2	2.3	3.9
Delaware	5.2	4.0	3.8	3.5	4.0	4.1
Florida	5.1	4.8	4.3	3.9	3.6	4.3
Georgia	4.6	4.5	4.2	4.0	3.7	4.2
Hawaii	6.4	6.4	6.2	5.6	4.3	5.8
Idaho	5.2	5.3	5.0	5.2	4.9	5.1
Illinois	5.3	4.7	4.5	4.3	4.4	4.6
Indiana	4.1	3.5	3.1	3.0	3.2	3.4
Iowa	3.8	3.3	2.8	2.5	2.6	3.0
Kansas	4.5	3.8	3.8	3.0	3.7	3.8
Kentucky	5.6	5.4	4.6	4.5	4.1	4.8
Louisiana	6.7	6.1	5.7	5.1	5.5	5.8
Maine	5.1	5.4	4.4	4.1	3.5	4.5
Maryland	4.9	5.1	4.6	3.5	3.9	4.4
Massachusetts	4.3	4.0	3.3	3.2	2.6	3.5
Michigan	4.9	4.2	3.9	3.8	3.6	4.1
Minnesota	4.0	3.3	2.5	2.8	3.3	3.2
Mississippi	6.1	5.7	5.4	5.1	5.7	5.6
Missouri	4.6	4.2	4.2	3.4	3.5	4.0
Montana	5.3	5.4	5.6	5.2	4.9	5.3
Nebraska	2.9	2.6	2.7	2.9	3.0	2.8
Nevada	5.4	4.1	4.3	4.4	4.1	4.5
New Hampshire	4.2	3.1	2.9	2.7	2.8	3.1
New Jersey	6.2	5.1	4.6	4.6	3.8	4.9
New Mexico	8.1	6.2	6.2	5.6	4.9	6.2
New York	6.2	6.4	5.6	5.2	4.6	5.6
North Carolina	4.3	3.6	3.5	3.2	3.6	3.6
North Dakota	3.1	2.5	3.2	3.4	3.0	3.0
Ohio	4.9	4.6	4.3	4.3	4.1	4.4
Oklahoma	4.1	4.1	4.5	3.4	3.0	3.8
Oregon	5.9	5.8	5.6	5.7	4.9	5.6
Pennsylvania	5.3	5.2	4.6	4.4	4.2	4.7
Rhode Island	5.1	5.3	4.9	4.1	4.1	4.7
South Carolina	6.0	4.5	3.8	4.5	3.9	4.5
South Dakota	3.2	3.1	2.9	2.9	2.3	2.9
Tennessee	5.2	5.4	4.2	4.0	3.9	4.5
Texas	5.6	5.4	4.8	4.6	4.2	4.9
Utah	3.5	3.1	3.8	3.7	3.2	3.5
Vermont	4.6	4.0	3.4	3.0	2.9	3.6
Virginia	4.4	4.0	2.9	2.8	2.2	3.3
<b>Washington</b>	<b>6.5</b>	<b>4.8</b>	<b>4.8</b>	<b>4.7</b>	<b>5.2</b>	<b>5.2</b>
West Virginia	7.5	6.9	6.6	6.6	5.5	6.6
Wisconsin	3.5	3.7	3.4	3.0	3.5	3.4
Wyoming	5.0	5.1	4.8	4.9	3.9	4.7
U.S. Average	5.4	4.9	4.5	4.2	4.0	4.8
<b>Washington's Rank</b>	<b>45</b>	<b>26</b>	<b>35</b>	<b>37</b>	<b>46</b>	<b>40</b>

Source: U.S. Department of Labor, Bureau of Labor Statistics. March 2001 ([www.bls.gov](http://www.bls.gov))

# Quality of Life

*Nine of the ten quality of life indicators ranked in the top half of the nation, and eight improved in score. Both public library service and parks and recreation areas ranked in the top five nationwide.*

# Homicide Rate, Violent Crime Rate, Arrest Rate for Violent Crimes

Crime statistics can prove difficult to interpret because reporting procedures vary dramatically among states. Furthermore, nearly two-thirds of all crimes and three-fifths of violent crimes are never reported, creating a considerable discrepancy between actual and reported crime rates. In view of the fact that reporting methods differ across states, it is clear that state comparisons would be difficult and uncertain. However, recognizing the need for consistent national crime statistics, the International Association of Chiefs of Police established the Uniform Crime Records (UCR). The program's primary objective is to generate a reliable set of criminal statistics by mandating specific reporting requirements and criterion for gathering data that ensures consistency and comparability among states. The UCR program is a nationwide, statistical effort of over 17,000 city, county, and state law enforcement agencies. During 1999, the law enforcement agencies that voluntarily participated in the UCR program represented approximately 260 million United States inhabitants or 95 percent of the total population as established by the Bureau of the Census. Over the years its data have become one of the country's leading social indicators and is therefore used within this study. Specifically, the homicide rate, the violent crime rate (i.e., offenses of murder, forcible rape, robbery, and aggravated assault) and the arrest rate for violent crimes are included because of their seriousness and prevalence in media reporting.

In 1999, Washington's homicide rate, as measured per 100,000 people, declined from 3.9 (1998) to 2.8 (1999) and Washington's national rank thus improved from 17<sup>th</sup> to 11<sup>th</sup>. The violent crime rate, also measured per 100,000 people, declined from 429 (1998) to 377 (1999). Although Washington's violent crime rate of 377 is far below the national average of 525, its national rank only improved from 25<sup>th</sup> (1998) to 24<sup>th</sup> (1999). The Arrest Rate for Violent Crimes declined from 184 (1998) to 169 (1999), as measured per 100,000 people, and Washington's national rank improved from 21<sup>st</sup> (1998) to 19<sup>th</sup> (1999).

Chart 10  
Homicide Rate

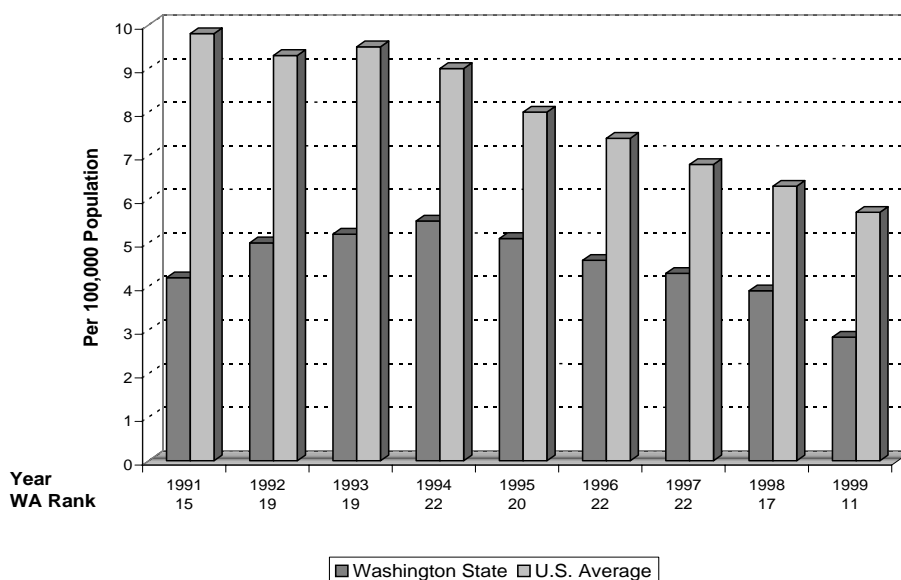


Table 10  
Quality of Life  
**Homicide Rate**  
(Per 100,000 Population)

	1995	1996	1997	1998	1999	1995-99
Alabama	11.2	10.4	9.9	8.1	6.5	9.2
Alaska	9.1	7.4	8.9	6.7	6.5	7.7
Arizona	10.4	8.5	8.2	8.1	5.5	8.1
Arkansas	10.4	8.7	9.9	7.9	7.0	8.8
California	11.2	9.1	8.0	6.6	5.4	8.1
Colorado	5.8	4.7	4.0	4.6	3.9	4.6
Connecticut	4.6	4.8	3.8	4.1	2.9	4.0
Delaware	3.5	4.3	2.5	2.8	3.1	3.2
Florida	7.3	7.5	6.9	6.5	4.9	6.6
Georgia	9.5	8.6	7.5	8.1	5.0	7.7
Hawaii	4.7	3.4	4.0	2.0	4.2	3.7
Idaho	4.1	3.6	3.2	2.9	1.3	3.0
Illinois	10.3	10.0	9.2	8.4	22.6	12.1
Indiana	8.0	7.2	7.3	7.7	7.1	7.5
Iowa	6.2	1.9	1.8	1.9	1.0	2.6
Kansas	6.2	6.6	6.0	5.9	NA	6.2
Kentucky	7.2	5.9	5.8	4.6	6.5	6.0
Louisiana	17.0	17.5	15.7	12.8	7.5	14.1
Maine	2.0	2.0	2.0	2.0	NA	2.0
Maryland	11.8	11.6	9.9	10.0	2.4	9.1
Massachusetts	3.6	2.6	1.9	2.0	1.4	2.3
Michigan	8.5	4.5	7.8	7.3	15.8	8.8
Minnesota	3.9	3.6	2.8	2.6	3.5	3.3
Mississippi	12.9	11.1	13.1	11.4	12.2	12.1
Missouri	8.8	8.1	7.9	7.3	8.0	8.0
Montana	3.0	3.9	4.8	4.1	3.9	3.9
Nebraska	2.9	2.9	3.0	3.1	3.0	3.0
Nevada	10.7	13.7	11.2	9.7	7.0	10.5
New Hampshire	1.8	1.7	1.4	1.5	0.4	1.4
New Jersey	5.1	4.2	4.2	4.0	3.1	4.1
New Mexico	8.8	11.5	7.7	10.9	6.9	9.2
New York	8.5	7.4	6.0	5.1	2.9	6.0
North Carolina	9.4	8.5	8.3	8.1	9.9	8.8
North Dakota	0.9	2.2	0.9	1.1	1.1	1.2
Ohio	5.4	4.8	4.7	4.0	3.1	4.4
Oklahoma	12.2	6.8	6.9	6.1	NA	8.0
Oregon	4.1	4.0	2.9	3.8	3.3	3.6
Pennsylvania	6.3	5.7	5.9	5.3	5.2	5.7
Rhode	3.3	2.5	2.5	2.4	3.0	2.7
South Carolina	7.9	9.0	8.4	8.0	6.1	7.9
South Dakota	1.8	1.2	1.4	1.4	1.5	1.5
Tennessee	10.6	9.5	9.5	8.5	11.7	10.0
Texas	9.0	7.7	6.8	6.8	4.3	6.9
Utah	3.9	3.2	2.4	3.1	1.8	2.9
Vermont	2.2	1.9	1.5	2.2	1.4	1.8
Virginia	7.6	7.5	7.2	6.2	4.9	6.7
<b>Washington</b>	<b>5.1</b>	<b>4.6</b>	<b>4.3</b>	<b>3.9</b>	<b>2.8</b>	<b>4.1</b>
West Virginia	4.9	3.8	4.1	4.3	4.3	4.3
Wisconsin	4.3	4.0	4.0	3.6	NA	4.0
Wyoming	2.1	3.3	3.5	4.8	1.9	3.1
U.S. Average	8.0	7.4	6.8	6.3	5.7	6.8
<b>Washington's Rank</b>	<b>20</b>	<b>22</b>	<b>22</b>	<b>17</b>	<b>11</b>	<b>21</b>

Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States-Uniform Crime Reports: 1991-1999. ([www.fbi.gov](http://www.fbi.gov))  
NA: Complete arrest data were not available.

Chart 11  
Violent Crime Rate

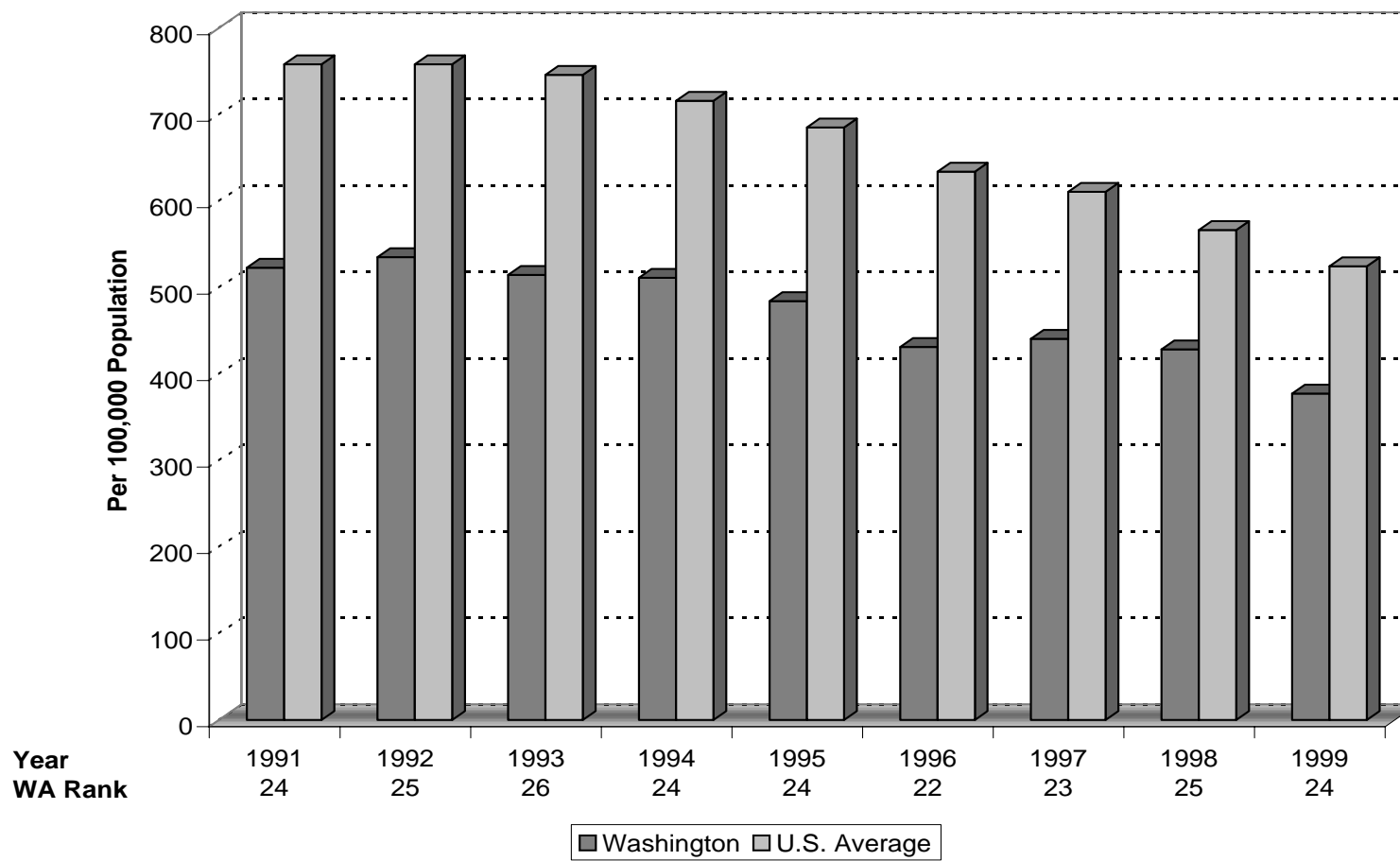


Table 11  
Quality of Life  
**Violent Crime Rate**  
(Per 100,000 Population)

	1995	1996	1997	1998	1999	1995-99
Alabama	632	565	565	512	490	553
Alaska	771	728	701	654	632	697
Arizona	714	632	624	578	551	620
Arkansas	553	524	527	490	425	504
California	966	863	798	704	627	792
Colorado	440	405	363	378	341	385
Connecticut	406	412	391	366	346	384
Delaware	725	668	678	762	734	714
Florida	1,071	1,051	1,024	939	854	988
Georgia	657	639	607	573	534	602
Hawaii	296	281	278	247	235	267
Idaho	322	267	257	282	245	275
Illinois	996	886	861	808	733	857
Indiana	525	537	515	431	375	476
Iowa	354	273	310	312	280	306
Kansas	421	414	409	397	383	405
Kentucky	365	321	317	284	301	317
Louisiana	1,007	929	856	780	733	861
Maine	131	125	121	126	112	123
Maryland	987	931	847	797	743	861
Massachusetts	687	642	644	621	551	629
Michigan	688	635	590	621	575	622
Minnesota	356	339	338	310	274	323
Mississippi	503	488	469	411	349	444
Missouri	664	591	577	556	500	578
Montana	171	161	132	139	207	162
Nebraska	382	435	438	451	430	427
Nevada	945	811	799	644	570	754
New Hampshire	115	118	113	107	97	110
New Jersey	600	532	493	440	412	495
New Mexico	819	841	853	961	835	862
New York	842	727	689	638	589	697
North Carolina	646	588	607	579	542	593
North Dakota	87	84	87	89	67	83
Ohio	483	429	435	363	316	405
Oklahoma	664	597	560	539	508	574
Oregon	522	463	444	420	375	445
Pennsylvania	427	463	442	421	421	435
Rhode Island	368	347	334	312	287	329
South Carolina	982	997	990	903	847	944
South Dakota	208	177	197	154	167	181
Tennessee	772	774	790	715	695	749
Texas	664	644	603	565	560	607
Utah	329	332	334	314	276	317
Vermont	118	121	120	106	114	116
Virginia	362	341	345	326	315	338
<b>Washington</b>	<b>484</b>	<b>431</b>	<b>441</b>	<b>429</b>	<b>377</b>	<b>432</b>
West Virginia	210	210	219	249	351	248
Wisconsin	281	253	271	249	246	260
Wyoming	254	250	255	248	232	248
United States	685	634	611	566	525	604
<b>Washington's Rank</b>	<b>24</b>	<b>22</b>	<b>23</b>	<b>25</b>	<b>24</b>	<b>23</b>

Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States-Uniform Crime Reports: 1991-1999. ([www.fbi.gov](http://www.fbi.gov))

Chart 12  
Arrests Rates for Violent Crime

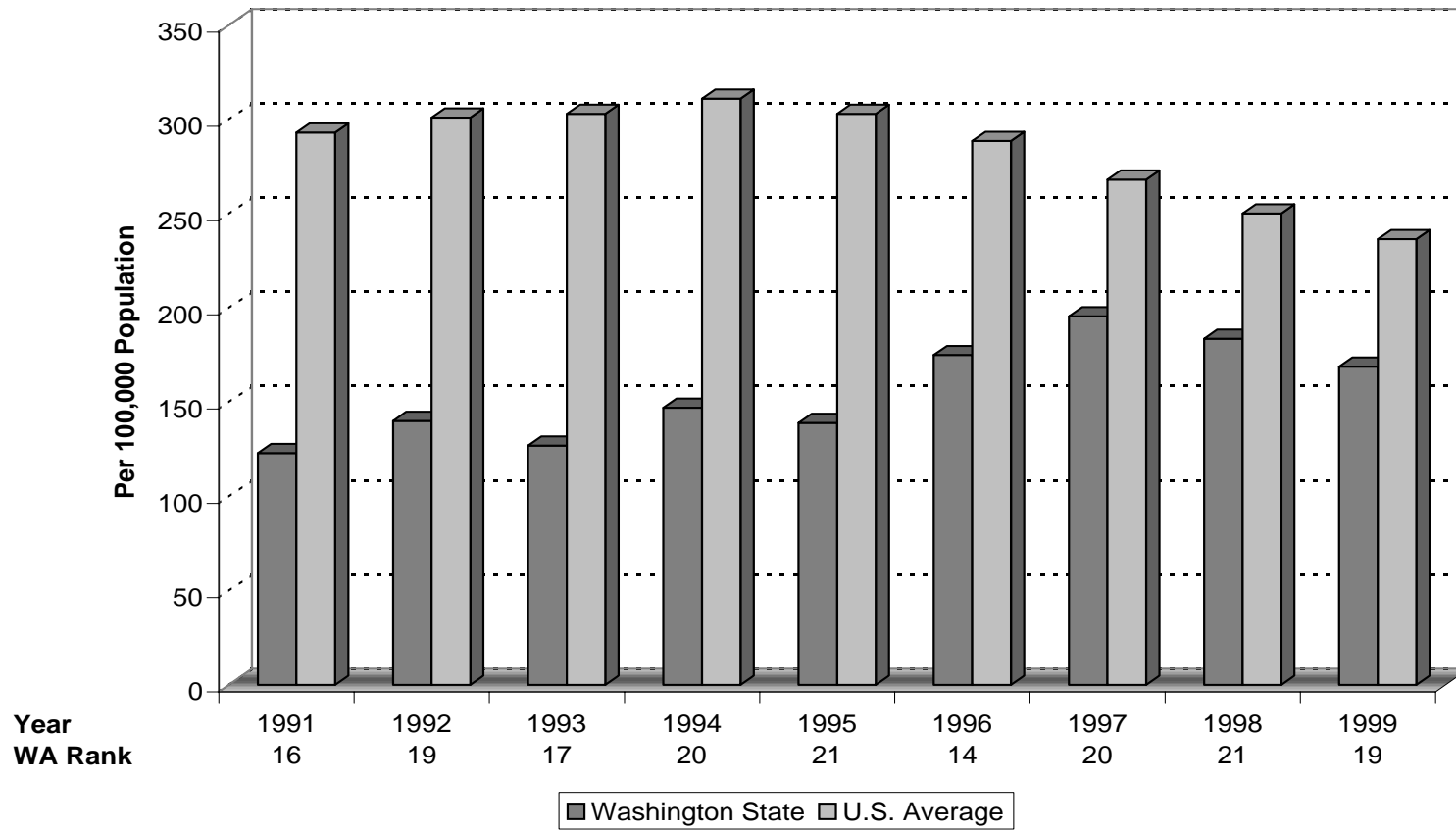


Table 12  
Quality of Life  
**Arrest Rates for Violent Crime**  
(Per 100,000 Population)

	1995	1996	1997	1998	1999	1995-99
Alabama	262	266	249	196	165	228
Alaska	232	283	382	262	259	283
Arizona	226	216	224	201	177	209
Arkansas	219	222	264	229	225	232
California	475	468	473	434	403	451
Colorado	150	184	181	174	205	179
Connecticut	259	252	269	247	166	239
Delaware	16	482	515	345	384	348
Florida	30	NA	NA	390	368	263
Georgia	811	218	452	343	173	399
Hawaii	126	126	134	112	107	121
Idaho	128	117	110	129	107	118
Illinois	14	461	407	383	402	333
Indiana	140	252	257	264	268	236
Iowa	135	135	161	153	181	153
Kansas	NA	NA	NA	NA	NA	NA
Kentucky	203	548	481	451	558	448
Louisiana	264	374	429	376	353	359
Maine	49	73	65	71	NA	64
Maryland	277	316	268	250	156	253
Massachusetts	261	283	304	327	284	292
Michigan	234	261	245	220	213	234
Minnesota	153	152	88	122	139	131
Mississippi	58	220	229	209	189	181
Missouri	212	319	315	332	263	288
Montana	NA	NA	59	70	140	89
Nebraska	95	67	95	106	91	91
Nevada	219	230	220	222	180	214
New Hampshire	NA	61	NA	74	60	65
New Jersey	263	262	247	227	203	240
New Mexico	79	217	243	266	254	212
New York	368	432	172	188	178	268
North Carolina	360	375	385	380	357	371
North Dakota	33	39	34	36	35	35
Ohio	96	271	246	208	178	200
Oklahoma	218	198	183	182	NA	195
Oregon	110	157	136	130	109	128
Pennsylvania	76	212	143	226	244	180
Rhode Island	245	257	230	151	121	201
South Carolina	280	326	344	310	334	319
South Dakota	97	136	148	108	99	118
Tennessee	124	391	382	311	258	293
Texas	202	204	182	166	161	183
Utah	115	122	119	117	117	118
Vermont	21	NA	NA	30	60	37
Virginia	176	185	171	168	159	172
Washington	<b>139</b>	<b>175</b>	<b>196</b>	<b>184</b>	<b>169</b>	<b>172</b>
West Virginia	78	76	78	94	174	100
Wisconsin	185	182	204	NA	NA	190
Wyoming	103	146	141	123	107	124
U. S. Average	303	289	268	250	236	269
<b>Washington's Rank</b>	<b>21</b>	<b>14</b>	<b>20</b>	<b>21</b>	<b>19</b>	<b>17</b>

\* Violent crimes are offenses of murder, forcible rape, robbery, and aggravated assault.

NA: Complete arrest data were not available.

Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States-Uniform Crime Reports: 1991-1999. ([www.fbi.gov](http://www.fbi.gov))

# Air Quality Index

The air quality index measures the percentage of a state's population living in nonattainment areas. The Environmental Protection Agency (EPA) defines a nonattainment area as a locality where air pollution levels have exceeded the allowable amount according to National Ambient Air Quality Standards (NAAQS). Once an area gains "nonattainment" status, its air must meet the NAAQS standards for three years before it can be reclassified as an "attainment" area. Carbon monoxide, lead, nitrogen dioxide, ozone, particulate matter, and sulfur dioxide are the six "criteria pollutants" tested under the NAAQS. Adverse effects on the environment and human health may result from pollutant concentrations exceeding these NAAQS thresholds.

In 1996, 54.5 percent of Washington's population lived in non-attainment areas, ranking Washington 39<sup>th</sup> among the states. In 1997, improved air quality in the Seattle-Tacoma area resulted in a substantial decline in the percentage of state residents living in non-attainment areas. Washington improved its ranking from 39<sup>th</sup> to 26<sup>th</sup>, with a reduction of 61.7% of Washington residents living in nonattainment areas. Washington has improved every year since 1997 and in 2000 realized a record low with only 6.4 percent of state residents living in nonattainment areas, ranking Washington 22<sup>nd</sup> among the states. This progress can be attributed to improvements made in Kent, Tacoma and Seattle that resulted in a redesignation from nonattainment to attainment for 870,119 people.

Chart 13  
Air Quality Index

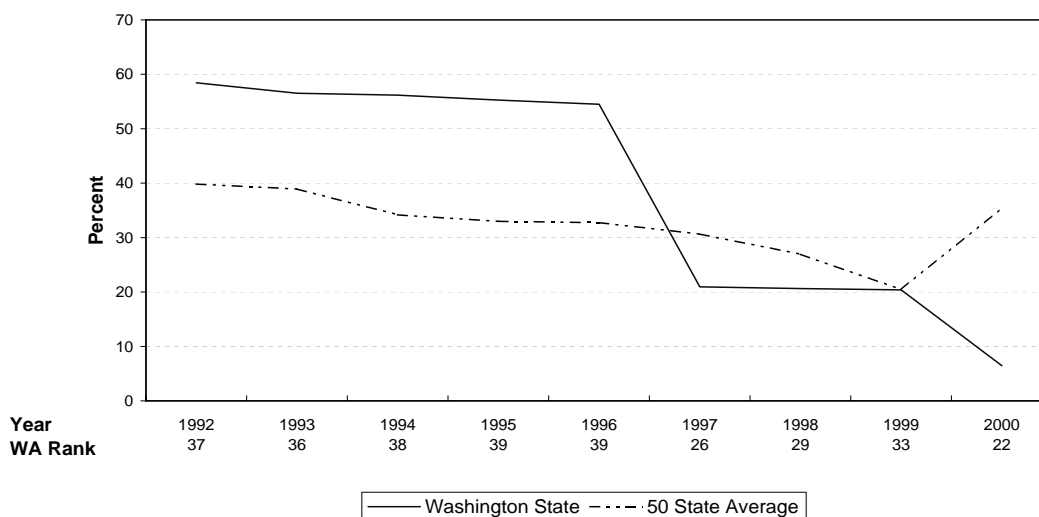


Table 13  
Quality of Life  
**Air Quality Index**  
(Percent of State Population)

	1996	1997	1998	1999	2000	1996-00
Alabama	17.5	17.4	17.3	17.2	16.9	17.2
Alaska	43.6	43.4	42.9	42.6	42.1	42.9
Arizona	50.7	49.3	48.1	47.0	43.7	47.8
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0
California	82.3	79.2	83.4	82.2	80.5	81.5
Colorado	62.5	61.2	60.0	48.7	45.6	55.6
Connecticut*	75.6	75.6	75.5	75.3	72.5	74.9
Delaware*	15.5	15.4	0.0	0.0	14.4	9.1
Florida	0.0	0.0	0.0	0.0	0.0	0.0
Georgia	38.6	37.8	37.1	34.1	32.4	36.0
Hawaii	0.0	0.0	0.0	0.0	0.0	0.0
Idaho	17.9	17.6	19.4	9.1	19.2	16.7
Illinois*	66.0	65.7	65.3	65.0	63.5	65.1
Indiana*	11.5	3.4	0.3	0.3	0.0	3.1
Iowa	0.8	0.8	0.0	0.0	0.0	0.3
Kansas	0.0	0.0	0.0	0.0	0.0	0.0
Kentucky*	23.6	23.4	22.5	22.3	21.9	22.8
Louisiana	17.3	12.8	12.8	12.8	12.5	13.6
Maine	65.8	59.2	35.3	0.0	57.2	43.5
Maryland*	47.5	47.1	46.8	46.4	45.3	46.6
Massachusetts*	103.7	103.2	102.8	13.1	99.5	84.5
Michigan	12.2	1.6	1.6	0.0	0.0	3.1
Minnesota	51.2	50.8	50.4	7.2	7.0	33.3
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0
Missouri*	44.6	44.3	44.0	43.8	42.8	43.9
Montana	12.8	12.9	12.1	12.6	26.2	15.3
Nebraska	0.1	0.1	0.1	0.1	0.0	0.0
Nevada	62.5	59.6	57.2	55.1	51.0	57.1
New Hampshire*	34.9	34.5	15.4	0.0	32.8	23.5
New Jersey*	4.0	4.0	0.0	0.0	3.8	2.3
New Mexico	2.2	2.2	2.1	2.2	2.0	2.1
New York*	112.3	112.3	98.8	98.6	94.6	103.3
North Carolina	0.0	0.0	0.0	0.0	0.0	0.0
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Ohio*	38.7	38.6	37.5	34.8	17.6	33.4
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0
Oregon*	45.2	37.6	8.3	8.2	11.1	22.1
Pennsylvania*	102.5	102.7	75.1	75.2	43.2	79.7
Rhode Island	101.5	101.6	101.5	0.0	95.7	80.1
South Carolina	0.0	0.0	0.0	0.0	0.0	0.0
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee	33.0	17.7	16.7	15.1	0.0	16.5
Texas	43.4	42.6	41.8	41.1	39.5	41.7
Utah	62.7	61.4	51.3	50.6	48.2	54.8
Vermont	0.0	0.0	0.0	0.0	0.0	0.0
Virginia*	31.6	31.2	0.0	0.0	0.0	12.6
<b>Washington*</b>	<b>54.5</b>	<b>20.9</b>	<b>20.6</b>	<b>20.4</b>	<b>6.4</b>	<b>24.6</b>
West Virginia	2.1	2.1	2.1	2.1	2.1	2.1
Wisconsin	42.3	38.2	38.0	37.3	36.5	38.5
Wyoming	2.9	2.9	2.7	2.7	2.6	2.8
50 State Average	32.8	30.6	26.9	20.5	35.5	29.3
<b>Washington's Rank</b>	<b>39</b>	<b>26</b>	<b>29</b>	<b>33</b>	<b>22</b>	<b>30</b>

\*Due to areas that span more than one state, these states may have more or less non-attainment areas than specified but are not documented to avoid double counting.

Source: U.S. Environmental Protection Agency. National Air Quality and Emissions Trends Report, 1996-1999 data: effective July 25, 1996, June 18, 1997, December 7, 1998, December 13, 1999 from the Office of Air Quality Planning and Standards. The 2000 data was computed early with an effective date of August 9th, 2001.

# Drinking Water

The objective of the Washington State Department of Health Drinking Water Program is to protect the health of the citizens of Washington State by ensuring safe and reliable drinking water. In Washington, nearly 5 million residents are served by 4,260 public water systems that must abide by the standards established by the Environmental Protection Agency (EPA) under the federal Safe Drinking Water Act (SDWA). These standards are designed to prevent microbial, chemical and radiological contaminants in drinking water and to assure the protection of public health if contamination does occur. EPA tracks a variety of information related to water systems subject to the SDWA. The number of contaminants regulated by the EPA has risen from 23 in 1986 to 84 in 1996 and is expected to reach 103 by 2002 and 130 by 2010.

A particularly significant piece of information calculated by the EPA is the number of systems—and their populations—whose water has exceeded the Maximum Contaminant Level (MCL) for any contaminant. A MCL, according to the EPA, is the highest permissible level for a contaminant. In addition, the EPA also calculates the number of systems that have violated a treatment technique, the requirement to have properly operating treatment facilities in order to remove contaminants. The attached table contains EPA data for the years 1996-2000, showing the percentage of a state's population served by a water system subject to the SDWA that violated either a coliform MCL or a surface water treatment technique.

In 2000, 5.4 percent of Washington residents were served by water systems in violation of either a coliform MCL or a water surface treatment technique, compared to the 50 State average of 8.2 percent. Washington's rank improved to 24<sup>th</sup> among the states, up from 30<sup>th</sup> in 1999. Current drinking water concerns include a lack of basic health protection and deteriorating infrastructure in many small communities, a huge increase in the number and complexity of federal drinking water regulations, and increasing numbers of very small public water systems that have no professional management.

Chart 14  
Drinking Water

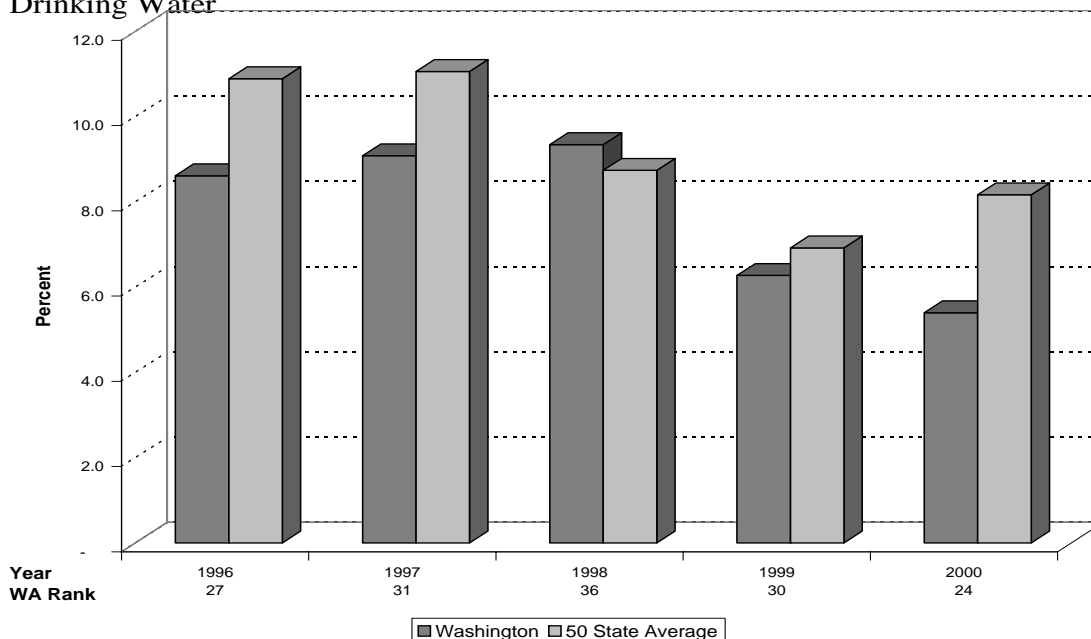


Table 14  
Quality of Life  
**Drinking Water Index**  
(Percent)\*

	1996	1997	1998	1999	2000	1996-00
Alabama	4.8	3.3	5.3	2.3	2.0	3.5
Alaska	16.3	41.1	30.6	9.7	14.0	22.4
Arizona	26.7	8.7	25.5	13.8	9.0	16.8
Arkansas	9.1	21.2	5.8	7.2	8.0	10.3
California	6.7	5.2	2.8	1.5	6.0	4.5
Colorado	11.5	9.2	10.2	10.0	10.0	10.2
Connecticut	15.4	15.2	15.7	13.9	2.0	12.4
Delaware	0.9	1.6	17.3	0.4	17.0	7.4
Florida	5.1	8.6	6.4	4.9	4.0	5.8
Georgia	3.7	3.1	3.3	5.8	1.0	3.4
Hawaii	6.3	6.5	6.2	6.3	5.0	6.0
Idaho	19.9	16.2	21.0	9.5	17.0	16.7
Illinois	12.1	7.9	8.1	12.2	9.0	9.8
Indiana	6.8	10.9	2.3	0.9	7.0	5.6
Iowa	7.5	5.8	3.4	5.2	5.0	5.4
Kansas	7.8	5.8	10.0	3.8	5.0	6.5
Kentucky	25.7	27.5	3.7	7.9	3.0	13.6
Louisiana	12.1	10.8	9.2	5.3	6.0	8.7
Maine	8.8	5.2	3.9	5.0	35.0	11.6
Maryland	5.0	2.2	2.3	2.0	1.0	2.5
Massachusetts	58.2	56.7	51.9	36.3	58.0	52.2
Michigan	4.2	1.6	0.9	0.9	2.0	1.9
Minnesota	0.3	0.4	0.5	1.6	1.0	0.8
Mississippi	8.8	5.9	3.8	5.7	9.0	6.6
Missouri	2.6	3.2	3.8	3.3	2.0	3.0
Montana	8.1	16.1	18.6	5.8	4.0	10.5
Nebraska	6.2	7.2	12.3	13.6	19.0	11.7
Nevada	9.7	1.0	0.2	1.9	1.0	2.7
New Hampshire	15.1	13.3	8.5	7.2	8.0	10.4
New Jersey	22.6	14.3	1.4	1.0	15.0	10.8
New Mexico	2.5	5.9	1.9	6.5	7.0	4.8
New York	48.2	47.1	43.3	41.8	12.0	38.5
North Carolina	3.4	1.6	1.3	2.4	3.0	2.3
North Dakota	16.3	24.8	0.8	1.4	4.0	9.5
Ohio	6.5	13.7	4.6	3.4	1.0	5.9
Oklahoma	12.5	19.2	14.5	12.6	6.0	13.0
Oregon	13.8	14.1	5.8	7.3	6.0	9.4
Pennsylvania	7.9	5.3	3.6	2.4	4.0	4.6
Rhode Island	13.3	3.1	1.2	4.9	6.0	5.7
South Carolina	14.9	11.7	12.0	11.8	23.0	14.7
South Dakota	5.2	6.9	7.2	2.0	2.0	4.7
Tennessee	0.5	1.6	3.2	2.9	3.0	2.2
Texas	3.0	2.8	2.5	2.8	2.0	2.6
Utah	1.9	3.5	2.4	3.7	6.0	3.5
Vermont	15.7	8.7	10.2	3.3	7.0	9.0
Virginia	2.4	1.5	2.3	2.6	2.0	2.2
Washington**	<b>8.6</b>	<b>9.1</b>	<b>9.3</b>	<b>6.3</b>	<b>5.4</b>	<b>7.7</b>
West Virginia	3.8	3.2	2.6	6.3	6.0	4.4
Wisconsin	10.7	9.0	9.2	6.6	15.0	10.1
Wyoming	5.2	24.6	4.3	10.0	3.0	9.4
50 State Average***	10.9	11.1	8.7	6.9	8.2	9.2
<b>Washington's Rank</b>	<b>27</b>	<b>31</b>	<b>36</b>	<b>30</b>	<b>24</b>	<b>27</b>

\*Percent of population served by water supply in violation of EPA standards.

\*\* Supplied by the Washington State Department of Health.

\*\*\*The 50 state average is an average of indicators listed. It may differ from the U.S. average.

Source: U.S. Environmental Protection Agency, Community Public Water Systems Compliance Statistics Safe Drinking  
Drinking Water Information System. FY 1996-2000. ([www.epa.gov](http://www.epa.gov))

Washington State Department of Health. ([www.doh.wa.gov](http://www.doh.wa.gov))

# Toxins Released

The Toxics Release Inventory (TRI) provides the public with information concerning the amount of toxic chemical releases from industrial facilities. Under the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA), the inventory was established with the objective of promoting emergency planning, minimizing the effects of chemical accidents, and providing the public with information on releases of toxic chemicals in their communities. The EPCRA/TRI Program requires that manufacturing facilities report nearly 650 toxic chemicals and chemical compounds to the Environmental Protection Agency. Consequently, the TRI Program has given the public unprecedented direct access to toxic chemical release and other waste management data.

In 1999, the original industries reported 2.44 billion pounds of toxic releases. This figure includes toxic releases directly to air, water, and land, in addition to the disposal of toxic chemicals in on-site or off-site land fills, surface impoundments, land treatment, and underground injection wells. The U.S. original industries have realized a reduction of 65.44 million pounds, from the total toxic releases of 1998 to 1999. Furthermore, since 1995, the U.S. original industries have realized a cutback of 198 million pounds of toxic releases. Washington followed suit improving from 20<sup>th</sup> (1998) to 19<sup>th</sup> (1999) as toxins released per square mile declined from 455 to 357 pounds of toxic releases. In total toxins released, this converts to 32 million pounds in 1998 and 25 million pounds in 1999. Washington's improvement can be attributed to both on and off-site toxic release reductions. Specifically, Washington's on-site toxic releases declined 3.2 million pounds and off-site releases reduced 3.6 million pounds, for a total decline of 6.8 million pounds of toxic chemicals.

\* U.S. Environmental Protection Agency. 1999 Toxics Release Inventory.

Chart 15  
Toxins Released

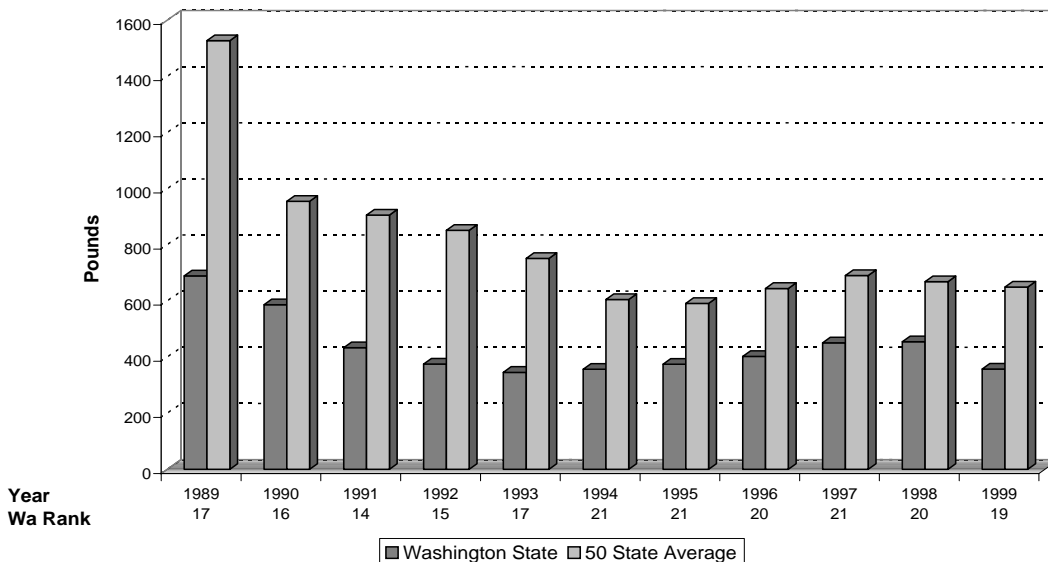


Table 15  
Quality of Life  
**Toxins Released**  
Pounds per square miles

	1995	1996	1997	1998	1999	1995-99
Alabama	1,967	1,970	1,812	1,714	1,508	1,794
Alaska	11	11	8	3	3	7
Arizona	314	421	276	477	446	387
Arkansas	652	640	1,123	954	975	869
California	269	315	284	268	283	284
Colorado	44	55	49	53	73	55
Connecticut	1,581	1,476	1,744	1,372	1,156	1,466
Delaware	1,882	1,527	1,463	2,296	3,218	2,077
Florida	1,400	1,350	1,591	1,309	1,290	1,388
Georgia	941	998	1,219	1,100	1,128	1,077
Hawaii	73	84	70	67	62	71
Idaho	98	181	212	272	319	217
Illinois	1,722	1,859	2,203	2,011	1,870	1,933
Indiana	2,190	2,993	3,365	3,321	3,696	3,113
Iowa	618	592	608	713	728	652
Kansas	277	323	325	354	435	343
Kentucky	1,037	1,172	1,171	1,015	1,194	1,118
Louisiana	3,469	3,717	3,747	3,537	2,721	3,438
Maine	301	277	290	286	229	277
Maryland	1,083	1,065	1,114	1,078	1,110	1,090
Massachusetts	881	1,080	763	788	609	824
Michigan	778	932	882	865	753	842
Minnesota	258	241	232	229	234	239
Mississippi	1,175	1,136	1,370	1,253	1,294	1,246
Missouri	712	858	901	818	816	821
Montana	298	330	295	349	339	322
Nebraska	142	168	232	209	301	211
Nevada	32	34	40	38	40	37
New Hampshire	276	266	300	320	336	300
New Jersey	1,783	2,200	2,528	2,430	2,663	2,321
New Mexico	154	164	281	204	168	194
New York	677	660	715	657	677	677
North Carolina	1,636	1,104	1,615	1,458	1,284	1,419
North Dakota	36	33	34	35	37	35
Ohio	2,719	3,238	3,540	3,426	3,381	3,260
Oklahoma	357	378	355	349	331	354
Oregon	218	306	319	342	319	301
Pennsylvania	1,186	2,675	3,130	3,185	3,174	2,670
Rhode Island	2,261	2,114	1,770	1,423	1,067	1,727
South Carolina	1,742	1,817	1,874	1,914	2,140	1,897
South Dakota	25	67	55	42	46	47
Tennessee	2,638	2,465	2,536	2,252	2,173	2,413
Texas	1,062	1,001	979	983	975	1,000
Utah	899	976	1,222	1,251	1,046	1,079
Vermont	57	48	59	43	67	55
Virginia	1,250	1,325	1,369	1,343	1,366	1,331
<b>Washington</b>	<b>374</b>	<b>403</b>	<b>451</b>	<b>455</b>	<b>357</b>	<b>408</b>
West Virginia	1,129	1,190	1,022	1,081	904	1,065
Wisconsin	476	718	772	668	640	655
Wyoming	112	99	96	96	107	102
U.S. Average	591	645	691	669	649	649
<b>Washington's Rank</b>	<b>21</b>	<b>20</b>	<b>21</b>	<b>20</b>	<b>19</b>	<b>21</b>

Source: U.S. Environmental Protection Agency, Office of Pollution Prevention and Toxics.

Toxics Release Inventory Public Data Release Reports: 1989-1999. ([www.epa.gov](http://www.epa.gov))

Source: U.S. Department of Commerce, Economics and Statistics Administration, Statistical Abstract of the United States, 1995.

# State Health Index

The UnitedHealth Group State Health Rankings provide a composite indicator, by state, that measures the relative healthiness of each state and the general health of the population in the United States. Rankings are based on a holistic view outlined by the World Health Organization (WHO), which defines health as, “a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity.” UnitedHealth attempts to encompass these dimensions in its ranking by including different components to measure the many facets of health. Each component has several subcomponents with differing weights on the overall score. To prevent an extreme value from excessively influencing the overall score, the maximum value any state can receive for a component is limited to the national average plus or minus two standard deviations. These components are then calculated into the state health index, which is simply the percentage a state is above or below the national average.

Washington’s state health index ranked 11<sup>th</sup> in 2000, down from 9<sup>th</sup> in 1999 but significantly better than its 1990 ranking of 27<sup>th</sup>. In fact, Washington has improved 10 percent faster than the national average between 1990 and 2000. Specifically, Washington’s strengths in 2000 include a low infant mortality rate (5.7 deaths per 1,000 births), low risk for heart disease (17 percent below the national average), and low motor vehicle deaths (1.2 deaths per 100,000,000 miles driven). Washington’s weaknesses include an increase in the prevalence of smoking from 21.4 to 22.4 percent and an increase in limited activity days from 3.1 to 3.4 days. Washington’s improvement in health index over the past decade has likely been due in large part to the increase in the state’s support for public health care during that period.

Table 16  
State Health

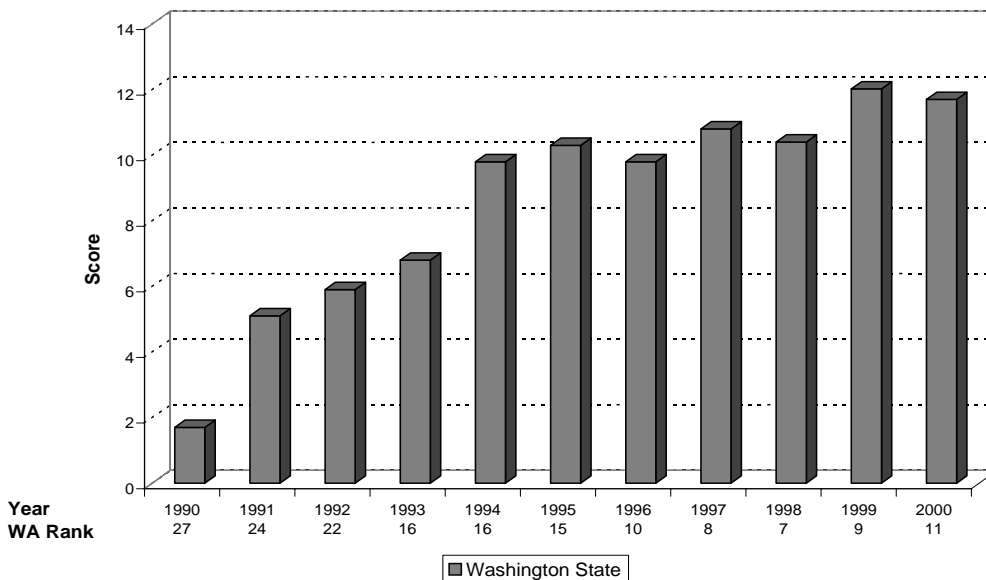


Table 16  
Quality of Life  
**State Health Index**  
\*Score

	1996	1997	1998	1999	2000	1996-00
Alabama	-8	-7	-7	-10	-12	-9
Alaska	-12	-7	-8	-2	-2	-6
Arizona	-4	-8	-10	-7	-6	-7
Arkansas	-12	-12	-17	-19	-14	-15
California	1	3	5	4	4	3
Colorado	11	13	15	14	15	14
Connecticut	12	11	9	13	13	12
Delaware	-11	-13	-11	-8	-5	-9
Florida	-9	-9	-9	-11	-11	-10
Georgia	2	-1	-2	-4	-5	-2
Hawaii	16	14	10	11	15	13
Idaho	5	2	1	4	4	3
Illinois	1	0	2	2	-1	1
Indiana	5	3	3	4	1	3
Iowa	13	9	8	11	11	10
Kansas	6	7	6	5	7	6
Kentucky	-6	-5	-7	-7	-7	-6
Louisiana	-15	-18	-17	-18	-18	-17
Maine	4	3	3	11	12	6
Maryland	4	1	0	1	2	2
Massachusetts	13	14	12	16	16	14
Michigan	2	4	4	0	-1	2
Minnesota	21	20	22	23	22	22
Mississippi	-15	-18	-18	-18	-19	-18
Missouri	-2	-3	-4	-4	-3	-3
Montana	-1	-0	-3	-2	1	-1
Nebraska	9	7	6	10	9	8
Nevada	-16	-15	-14	-13	-12	-14
New Hampshire	16	14	17	22	23	18
New Jersey	2	4	4	6	5	4
New Mexico	-13	-14	-13	-9	-9	-12
New York	-7	-6	-7	-5	-4	-6
North Carolina	-1	-3	-1	-4	-4	-2
North Dakota	9	7	6	10	10	8
Ohio	7	5	2	4	2	4
Oklahoma	-5	-8	-11	-10	-11	-9
Oregon	6	1	1	6	7	4
Pennsylvania	5	6	5	3	2	4
Rhode Island	-0	2	4	8	7	4
South Carolina	-11	-12	-12	-14	-15	-13
South Dakota	4	1	4	4	6	4
Tennessee	-8	-11	-12	-11	-10	-11
Texas	-2	-3	-3	-4	-5	-3
Utah	18	14	13	15	17	15
Vermont	7	4	3	15	15	9
Virginia	8	10	9	10	9	9
<b>Washington</b>	<b>10</b>	<b>11</b>	<b>10</b>	<b>12</b>	<b>12</b>	<b>11</b>
West Virginia	-13	-10	-13	-13	-14	-12
Wisconsin	15	16	15	16	13	15
Wyoming	-4	-5	-7	0	-2	-4
U.S. Average	0	0	0	0	0	0
<b>Washington's Rank</b>	<b>10</b>	<b>8</b>	<b>7</b>	<b>9</b>	<b>11</b>	<b>9</b>

\*Scores reflect the percentage above or below the national average.

Note: Scores and ranks for 1990-1998 have been adjusted to reflect the changes that have occurred in the methodology in 1999.

Source: UnitedHealth Group, UnitedHealth Group State Health Rankings: 1990- [www.unitedhealthgroup.com](http://www.unitedhealthgroup.com)

# Parks and Recreation Areas

Washington lays claim to one of the largest and busiest state park systems in the United States. With 125 developed parks covering over 260,000 acres, Washington ranks 6<sup>th</sup> among all 50 states in the number of areas managed. Furthermore, Washington ranks 4<sup>th</sup> in day-use attendance and 8<sup>th</sup> in the number of overnight visitors served. In 2000, Washington ranked 4<sup>th</sup> in total visitation with 46,443,781 visitors.

State parks provide areas that enrich the quality of life by providing recreational spaces where people exercise, enjoy the natural environment, and maintain their well being. In addition to the numerous social values generated by state parks, several economic benefits exist. Local economies prosper from the increased demand for gas, food and lodging. State parks also provide employment opportunities. The Washington State Parks and Recreation Commission report that state parks employ over 490 full time employees.

Since state park visits per capita were recorded, Washington has consistently placed in the top 5 among the states. Over the past 5 years, Washington has ranked 4<sup>th</sup> in per capita park visits. In 2000, each of Washington's residents visited a state park an average of 7.9 times.

Chart 17  
State Parks and Recreation Areas

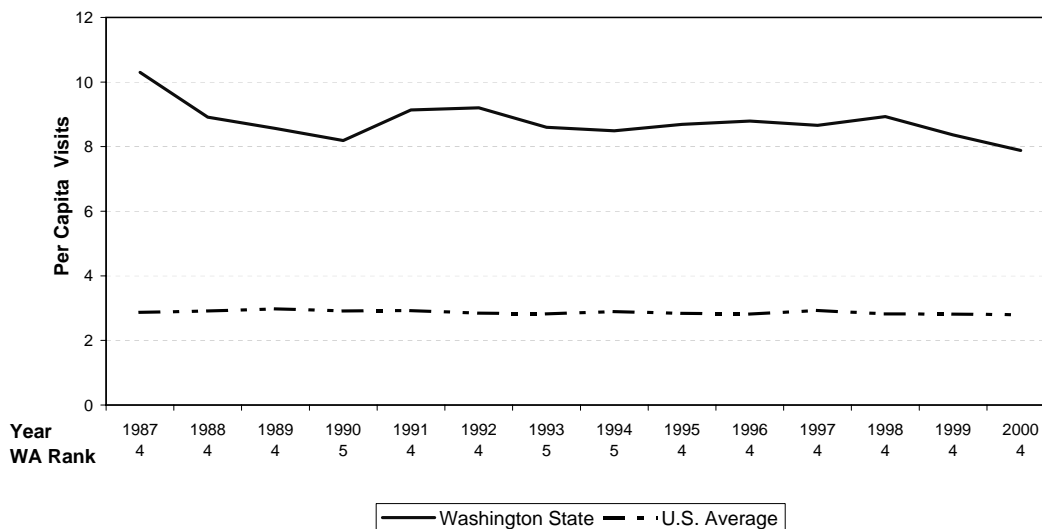


Table 17  
Quality of Life  
**State Parks and Recreational Areas**  
(Per Capita Park Visits)

	1996	1997	1998	1999	2000*	1996-00
Alabama	1.4	1.3	1.3	1.4	1.3	1.3
Alaska	7.1	6.7	5.6	6.2	6.2	6.4
Arizona	0.5	0.5	0.5	0.5	0.5	0.5
Arkansas	3.0	3.1	2.8	2.5	2.5	2.8
California	2.2	3.6	2.6	2.3	2.9	2.7
Colorado	3.3	3.0	2.9	2.3	2.4	2.8
Connecticut	2.5	2.5	2.6	2.4	2.2	2.4
Delaware	0.0	3.7	3.5	5.3	5.0	3.5
Florida	0.9	0.9	0.9	1.0	1.0	1.0
Georgia	1.9	1.8	2.0	2.0	2.0	1.9
Hawaii	12.7	12.7	11.8	12.7	15.0	13.0
Idaho	2.0	1.9	1.8	1.9	2.0	1.9
Illinois	3.3	3.4	3.3	3.5	3.6	3.4
Indiana	2.9	3.0	3.0	3.1	3.0	3.0
Iowa	4.6	4.3	4.7	5.1	5.2	4.8
Kansas	2.8	2.6	2.6	2.7	2.7	2.7
Kentucky	2.2	2.2	2.2	1.9	1.9	2.1
Louisiana	0.3	0.3	0.3	0.3	0.4	0.3
Maine	1.6	1.6	1.6	2.0	1.8	1.7
Maryland	2.0	2.1	1.9	2.1	1.9	2.0
Massachusetts	2.1	2.2	2.1	2.2	2.0	2.1
Michigan	2.5	2.4	2.7	2.8	2.8	2.6
Minnesota	1.8	1.8	1.8	1.8	1.7	1.8
Mississippi	1.8	1.7	1.7	1.5	1.5	1.7
Missouri	3.0	3.1	3.2	3.2	3.2	3.2
Montana	1.9	1.6	1.6	1.7	1.5	1.6
Nebraska	5.6	5.7	5.7	5.6	5.6	5.7
Nevada	2.2	1.9	1.9	1.5	1.7	1.8
New Hampshire	0.8	0.8	3.1	3.6	4.1	2.5
New Jersey	1.7	1.8	1.8	1.8	1.8	1.8
New Mexico	2.9	1.9	2.9	2.7	2.5	2.6
New York	3.6	3.7	3.7	3.4	3.1	3.5
North Carolina	1.5	1.4	1.7	1.7	1.5	1.6
North Dakota	1.8	1.7	1.7	1.7	1.7	1.7
Ohio	5.2	5.2	4.2	5.3	4.9	5.0
Oklahoma	5.2	4.8	4.9	4.6	4.7	4.8
Oregon	12.8	12.2	12.0	11.7	11.3	12.0
Pennsylvania	3.1	2.9	2.9	3.0	3.0	3.0
Rhode Island	3.1	3.1	5.0	6.4	5.9	4.7
South Carolina	2.7	2.5	2.6	2.5	2.3	2.5
South Dakota	9.1	8.8	9.2	9.3	9.3	9.2
Tennessee	5.7	5.4	5.7	5.8	5.3	5.6
Texas	1.2	1.1	1.1	1.1	0.9	1.1
Utah	3.6	3.5	3.7	3.3	3.0	3.4
Vermont	1.3	1.5	1.3	1.4	1.2	1.4
Virginia	0.7	0.7	0.7	0.8	0.8	0.8
<b>Washington</b>	<b>8.8</b>	<b>8.7</b>	<b>8.9</b>	<b>8.4</b>	<b>7.9</b>	<b>8.5</b>
West Virginia	4.9	4.4	4.4	4.6	4.4	4.5
Wisconsin	2.5	2.5	2.6	2.7	2.9	2.7
Wyoming	4.5	4.5	4.6	4.5	5.1	4.7
U.S. Average	2.8	2.9	2.8	2.8	2.8	2.8
<b>Washington's Rank</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>

\* See Appendix A

Source: National Association of State Parks Directors. Washington State Parks and Recreation Commission. Annual Information Exchange 1981-2001.

# State Arts

The performing and visual arts are a significant contributor to the quality of life. Providing cultural activities that stimulate the mind, body, and spirit, the arts touch the lives of everyone, whether it is through a visit to a Broadway show, an experience at the opera, or an encounter with a sculpture at the park. Through its capacities to entertain, educate, and awaken, the arts provide venues in which we can explore some of the deepest parts of our humanity.

State arts agencies (SAAs) play a major role in making the arts accessible to the public. They support special events such as concerts in the park, touring artist groups, arts festivals. SAAs also support public art programs, which is specifically for the integration of artwork (sculpture, murals, paintings, glasswork, etc.) in the renovation or construction of certain state buildings, such as schools or departmental offices. Some theaters, operas, and orchestras are able to offer reduced price seating or special free performances due in part to government support.

There is no quantitative way one can capture how the arts broaden perspectives and enrich communities. However, we can use the total revenue collected by SAAs to get a sense of the commitment a state makes to the arts. Total SAA revenue\* includes state legislative appropriations, funds from the National Endowment for the Arts (NEA), private support, and other state funds, including transfer funds and special funding mechanisms. Some of the discipline areas that these dollars support include dance, theatre, visual arts, photography, literature, folk arts, and the humanities. State dollars make up more than 85% of the state arts agency's total revenue in Washington.

Although Washington has one of the oldest and highest funded public art programs in the nation, overall state arts support is below the national average. Between fiscal years 1997 and 2001, Washington's total SAA revenue per capita averaged \$0.71, compared to the national average of \$1.40 and ranked 44<sup>th</sup> over this five-year period. In fiscal year 2001, Washington's per capita figure of \$0.78 was considerably lower than the national average of \$1.72, placing it at 43<sup>rd</sup> among all states.

Chart 18  
State Arts

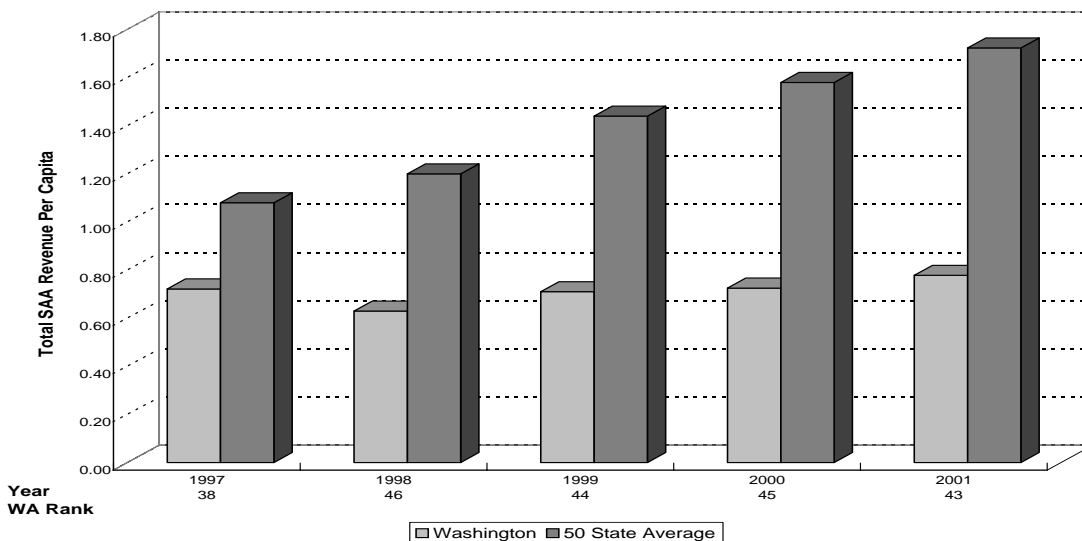


Table 18  
Quality of Life  
\*Total Per Capita SAA Revenue

	1997	1998	1999	2000	2001	1997-01
Alabama	0.79	1.03	1.20	1.23	1.51	1.15
Alaska	1.39	1.56	1.58	1.59	1.70	1.56
Arizona	0.74	0.81	0.92	0.94	0.97	0.88
Arkansas	0.67	0.68	0.82	0.95	0.81	0.79
California	0.41	0.43	1.41	1.57	2.03	1.17
Colorado	1.04	0.84	1.09	1.05	0.92	0.99
Connecticut	1.72	3.35	3.61	5.85	6.30	4.17
Delaware	3.69	2.46	2.73	2.80	2.82	2.90
Florida	1.92	1.69	2.36	1.90	2.35	2.04
Georgia	0.70	0.66	0.68	0.70	0.66	0.68
Hawaii	5.52	5.65	5.69	5.75	5.40	5.60
Idaho	1.03	1.04	1.25	1.14	1.13	1.12
Illinois	0.68	1.18	1.45	1.87	1.66	1.37
Indiana	0.59	0.60	0.60	0.73	0.72	0.65
Iowa	0.69	0.72	0.77	0.85	0.92	0.79
Kansas	0.67	0.75	0.75	0.82	0.78	0.75
Kentucky	1.03	1.13	1.15	1.16	1.15	1.12
Louisiana	1.04	1.11	1.28	1.28	1.23	1.19
Maine	0.78	0.77	1.00	1.40	1.02	0.99
Maryland	1.61	1.72	1.82	2.21	2.52	1.98
Massachusetts	2.54	2.47	2.92	3.05	3.03	2.80
Michigan	2.31	2.26	2.27	2.26	2.66	2.35
Minnesota	1.65	2.88	2.88	2.86	2.79	2.61
Mississippi	0.75	0.85	1.05	1.07	1.46	1.04
Missouri	1.98	1.94	1.98	2.22	2.23	2.07
Montana	1.31	1.81	1.94	1.83	1.94	1.77
Nebraska	1.07	1.13	1.63	1.63	1.37	1.37
Nevada	0.80	0.97	1.02	1.14	0.98	0.98
New Hampshire	0.85	0.88	1.03	1.07	0.86	0.94
New Jersey	1.56	1.78	2.03	2.46	2.72	2.11
New Mexico	1.87	1.86	1.88	1.71	1.30	1.72
New York	1.81	2.30	2.55	2.80	3.03	2.50
North Carolina	0.81	0.82	0.88	1.10	1.05	0.93
North Dakota	1.09	1.31	1.41	1.43	1.47	1.34
Ohio	1.11	1.36	1.41	1.55	1.49	1.38
Oklahoma	1.12	1.27	1.46	1.48	1.49	1.37
Oregon	0.54	0.71	0.62	0.60	0.69	0.63
Pennsylvania	0.80	0.82	0.94	1.05	1.20	0.96
Rhode Island	1.33	1.39	1.41	1.54	2.75	1.68
South Carolina	1.19	1.26	1.36	1.63	1.59	1.41
South Dakota	1.23	1.29	1.31	1.38	1.40	1.32
Tennessee	0.69	0.73	0.77	0.88	0.96	0.81
Texas	0.27	0.29	0.30	0.37	0.26	0.30
Utah	1.53	1.84	2.02	1.99	1.86	1.85
Vermont	1.83	1.89	2.58	2.60	2.72	2.32
Virginia	0.46	0.54	0.64	0.71	0.74	0.62
<b>Washington</b>	<b>0.72</b>	<b>0.63</b>	<b>0.71</b>	<b>0.73</b>	<b>0.78</b>	<b>0.71</b>
West Virginia	1.37	1.18	1.42	2.00	2.18	1.63
Wisconsin	0.58	0.64	0.67	0.68	0.57	0.63
Wyoming	1.55	1.89	1.85	2.05	2.00	1.87
U.S. Average	1.08	1.20	1.44	1.58	1.72	1.40
<b>Washington's Rank</b>	<b>38</b>	<b>46</b>	<b>44</b>	<b>45</b>	<b>43</b>	<b>44</b>

\*Though state arts agencies are the primary source for state funding, some states also fund the arts through other agencies, such as arts education funding through the Department of Education.  
Source: National Assembly of State Arts Agencies, July 2001.

# Public Library Service

Public libraries contribute to the quality of life by providing a multitude of educational and recreational functions and services. Public libraries serve people of all ages and backgrounds by providing spaces for community meetings and study halls, storing a wealth of information and entertainment in books, and providing computer and Internet access.

The benchmark, total circulation per capita, is used to gauge the quality, magnitude, and availability of public library resources and services. Circulation is the checking out of items (i.e., books, CDs, videos) to the public and is a reliable indicator because most transactions are electronically recorded. This data is collected from every state and the National Center for Educational Statistics (NCES) presents the cumulative form.

Washington has had excellent performance in this arena, ranking in the top 5 since 1993. Between 1994 and 1998, the state had an average per capita circulation of 10.0 compared to the national average of 6.6, ranking 4<sup>th</sup> during this period.

Chart 19  
Public Library Service

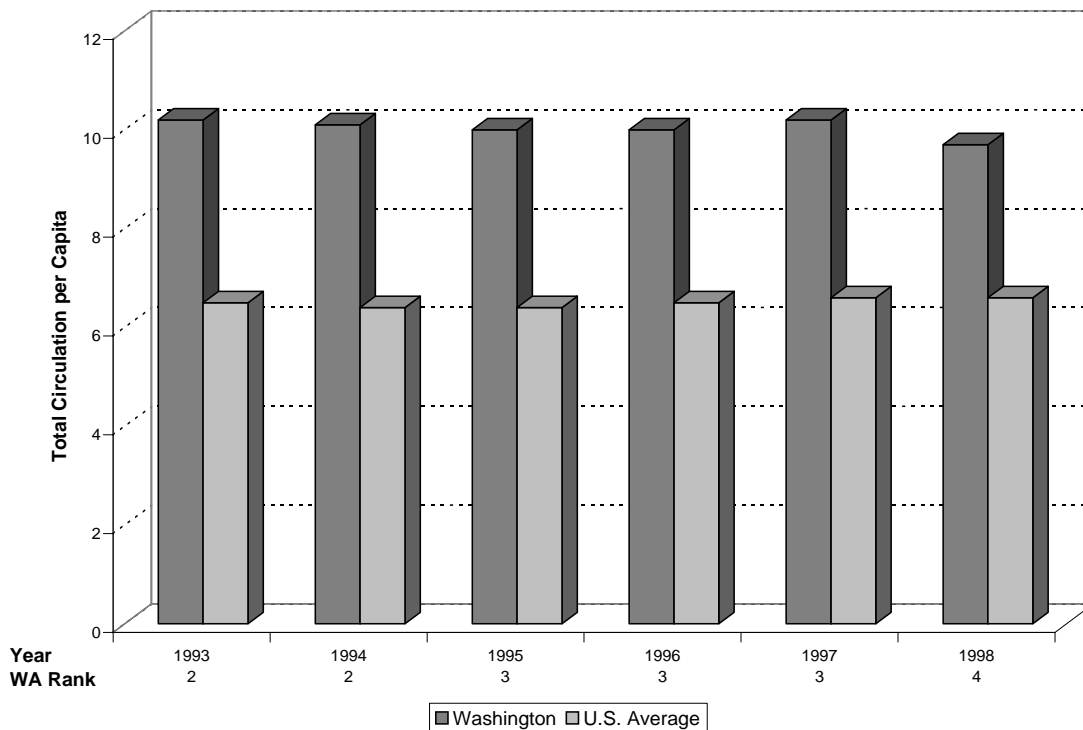


Table 19  
Quality of Life  
**Public Library Service**  
(Circulation per Capita)

	1994	1995	1996	1997	1998	1994-98
Alabama	3.9	3.9	3.9	4.0	4.0	3.9
Alaska	6.3	5.8	6.2	6.1	6.1	6.1
Arizona	6.8	6.3	6.5	6.3	6.2	6.4
Arkansas	4.0	4.0	4.2	4.3	4.0	4.1
California	4.6	4.5	4.7	4.9	5.0	4.7
Colorado	7.8	8.3	8.4	8.8	9.2	8.5
Connecticut	8.1	8.3	8.3	8.6	8.5	8.4
Delaware	4.3	4.4	4.7	5.3	5.5	4.8
Florida	5.1	5.3	5.4	5.1	4.9	5.2
Georgia	4.4	4.5	4.6	4.6	4.5	4.5
Hawaii	5.7	6.4	6.2	6.4	6.5	6.2
Idaho	7.9	7.8	7.7	7.9	7.8	7.8
Illinois	7.5	7.7	7.7	7.9	7.9	7.7
Indiana	9.6	10.2	10.5	11.0	10.9	10.4
Iowa	8.9	8.9	8.8	9.0	9.0	8.9
Kansas	9.2	9.3	9.6	9.8	9.7	9.5
Kentucky	5.1	5.3	5.3	5.4	5.5	5.3
Louisiana	4.4	4.3	4.3	4.4	4.3	4.3
Maine	7.6	7.8	7.7	7.8	7.9	7.8
Maryland	9.1	9.1	9.0	9.2	8.9	9.1
Massachusetts	6.9	7.2	7.3	7.4	7.7	7.3
Michigan	5.4	5.3	5.4	5.5	5.5	5.4
Minnesota	9.4	9.4	9.6	9.5	9.1	9.4
Mississippi	3.1	3.0	3.2	3.3	3.3	3.2
Missouri	7.8	7.9	7.9	8.4	8.6	8.1
Montana	6.0	6.2	6.1	5.9	5.8	6.0
Nebraska	7.8	8.0	7.6	8.0	8.1	7.9
Nevada	4.8	4.8	5.0	5.1	5.0	4.9
New Hampshire	7.5	7.6	7.4	7.6	7.5	7.5
New Jersey	5.8	5.9	6.0	6.1	5.9	5.9
New Mexico	6.5	6.5	5.5	5.4	5.6	5.9
New York	7.1	7.3	7.3	7.4	7.4	7.3
North Carolina	5.9	5.7	5.6	5.8	5.7	5.7
North Dakota	7.3	7.5	7.2	7.2	7.3	7.3
Ohio	11.8	12.0	12.4	12.6	12.5	12.3
Oklahoma	6.4	6.4	6.3	6.0	5.9	6.2
Oregon	9.6	9.7	10.0	10.2	10.2	9.9
Pennsylvania	4.7	4.6	4.7	4.7	4.8	4.7
Rhode Island	6.2	6.6	6.8	6.6	6.6	6.6
South Carolina	4.3	4.3	4.4	4.5	4.5	4.4
South Dakota	7.0	8.7	8.9	9.3	8.9	8.6
Tennessee	3.9	4.1	3.9	4.0	4.0	4.0
Texas	4.3	4.3	4.2	4.4	4.3	4.3
Utah	8.9	9.0	9.3	9.0	9.7	9.2
Vermont	7.1	7.0	7.0	7.4	6.9	7.1
Virginia	7.0	7.4	7.4	7.6	7.6	7.4
<b>Washington</b>	<b>10.1</b>	<b>10.0</b>	<b>10.0</b>	<b>10.2</b>	<b>9.7</b>	<b>10.0</b>
West Virginia	4.6	4.7	4.6	5.3	5.1	4.9
Wisconsin	8.7	8.9	9.0	9.2	9.0	9.0
Wyoming	8.1	7.9	7.6	7.7	7.8	7.8
U.S. Average	6.4	6.4	6.5	6.6	6.6	6.5
<b>Washington's Rank</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>3</b>

Source: U.S. Department of Education. National Center for Education Statistics,  
Public Libraries in the United States: FY 1993-1998.

# Education and Skills of the Workforce

*Washington ranked in the top twenty in five out of six workforce education and skills benchmarks. Washington improved in one indicator, regressed in another and stayed the same in one. Three benchmarks could not be updated due to the unavailability of data.*

# Fourth Grade Reading and Mathematics

(Not updated due to unavailability of data.)

The National Assessment of Education Progress (NAEP) program, sponsored by the U.S. Department of Education, is the only testing program that provides valid uniform educational achievement indicators allowing for state comparisons. The NAEP assesses students in grades 4, 8, and 12 in various academic subjects. These subjects include the arts, geography, reading, science, civics, mathematics, U.S. History, and writing. The Washington State Economic Climate Study tracks the average scale score of fourth grade reading and mathematics by state. State participation varies slightly with each testing year because participation is voluntary. Washington chose not to participate in 2000 due to the difficulty of recruiting schools to voluntarily participate in additional achievement testing.

These achievement tests are administered every 4 years with reading and math staggered. Scores can be interpreted using the NAEP achievement level thresholds and their corresponding definitions outlined below. Reading achievement is measured with exercises that require students to read material for two different purposes, literary experience and knowledge retention. Washington first participated in the reading assessment in 1994 and ranked 19<sup>th</sup> with a score of 213 among the 39 participants. In 1998, Washington dropped in ranking to 16<sup>th</sup>, despite its improved score of 217. The skills and content covered in the mathematics section include: spatial sense, data analysis, statistics, probability, algebra and functions. Washington participated in the mathematics assessment in 1996 and ranked 17<sup>th</sup> out of 43 participants with a score of 225.

## Grade 4 Reading Achievement Levels

<b>Basic</b> <b>208</b>	Fourth-grade students performing at the Basic level should demonstrate an understanding of the overall meaning of what they read. When reading text appropriate for fourth graders, they should be able to make relatively obvious connections between the text and their own experiences and extend the ideas in the text by making simple inferences.
<b>Proficient</b> <b>238</b>	Fourth-grade students performing at the Proficient level should be able to demonstrate an overall understanding of the text, providing inferential as well as literal information. When reading text appropriate to fourth grade, they should be able to extend the ideas in the text by making inferences, drawing conclusions, and making connections to their own experiences. The connection between the text and what the student infers should be clear.
<b>Advanced</b> <b>268</b>	Fourth-grade students performing at the Advanced level should be able to generalize about topics in the reading selection and demonstrate an awareness of how authors compose and use literary devices. When reading text appropriate to fourth grade, they should be able to judge text critically and, in general, give thorough answers that indicate careful thought.

Table 20  
Grade 4 Public School Students:  
Average Reading proficiency Scores

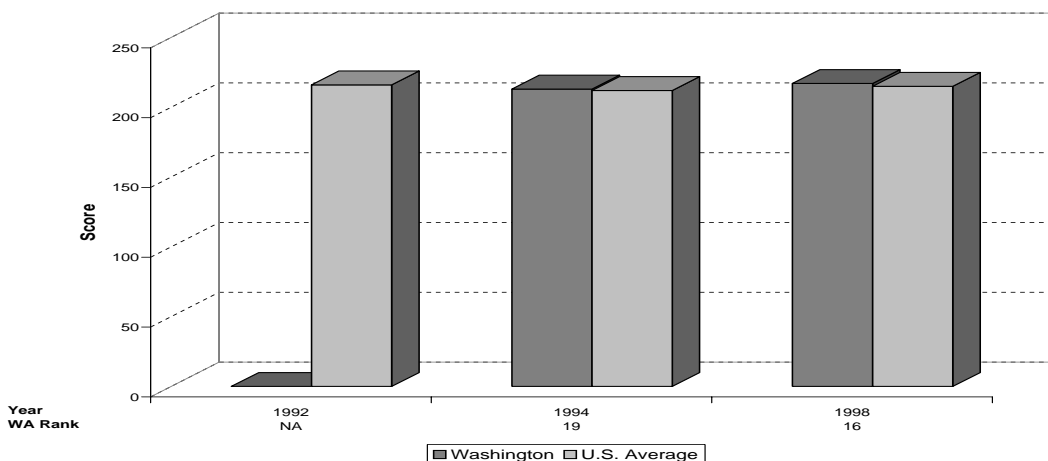


Table 20  
Education and Skills of the Workforce  
**Grade 4 Public School Students:**  
**Average Reading Scale Scores**

	1992	1994	1998	1992-98
Alabama	208	208	211	209
Alaska	NA	NA	NA	NA
Arizona	210	206	207	208
Arkansas	212	209	209	210
California	203	197	202	201
Colorado	218	213	222	218
Connecticut	223	222	232	226
Delaware	214	206	212	211
Florida	209	205	207	207
Georgia	213	207	210	210
Hawaii	204	201	200	202
Idaho	221	NA	NA	221
Illinois	NA	NA	NA	NA
Indiana	222	220	NA	221
Iowa	227	223	223	224
Kansas	NA	NA	222	222
Kentucky	214	212	218	215
Louisiana	205	197	204	202
Maine	228	228	225	227
Maryland	212	210	215	212
Massachusetts	227	223	225	225
Michigan	217	NA	217	217
Minnesota	22	218	222	154
Mississippi	200	202	204	202
Missouri	221	217	216	218
Montana	NA	222	226	224
Nebraska	222	220	NA	221
Nevada	NA	NA	208	208
New Hampshire	229	223	226	226
New Jersey	224	219	NA	222
New Mexico	212	205	206	208
New York	216	212	216	215
North Carolina	213	214	217	215
North Dakota	227	225	NA	226
Ohio	219	NA	NA	219
Oklahoma	221	NA	220	221
Oregon	NA	NA	214	214
Pennsylvania	222	215	NA	219
Rhode Island	218	220	218	219
South Carolina	211	203	210	208
South Dakota	NA	NA	NA	NA
Tennessee	213	213	212	213
Texas	214	212	217	214
Utah	222	217	215	218
Vermont	NA	NA	NA	NA
Virginia	222	213	218	218
<b>Washington</b>	<b>NA</b>	<b>213</b>	<b>217</b>	<b>215</b>
West Virginia	217	213	216	215
Wisconsin	225	224	224	224
Wyoming	224	221	219	221
U.S. Average	216	212	215	214
<b>Washington's Rank</b>	<b>NA</b>	<b>19</b>	<b>16</b>	<b>25</b>

NA: State did not participate in the NAEP assessment during this year.  
Source: National Center for Education Statistics. National Assessment of Education Progress (NAEP) 1992, 1994, 1998 Reading Report Card.

#### Grade 4 Mathematics Achievement Levels\*

<b>Basic</b> <b>214</b>	Fourth graders performing at the basic level should be able to estimate and use basic facts to perform simple computations with whole numbers; show some understanding of fractions and decimals; and solve some simple real-world problems in all NAEP content areas. Students at this level should be able to use—though not always accurately—four-function calculators, rulers, and geometric shapes. Their written responses are often minimal and presented without supporting information.
<b>Proficient</b> <b>249</b>	Fourth graders performing at the proficient level should be able to use whole numbers to estimate, compute, and determine whether results are reasonable. They should have a conceptual understanding of fractions and decimals; be able to solve real-world problems in all NAEP content areas; and use four-function calculators, rulers, and geometric shapes appropriately. Students performing at the proficient level should employ problem-solving strategies such as identifying and using appropriate information. Their written solutions should be organized and presented both with supporting information and explanations of how they were achieved.
<b>Advanced</b> <b>282</b>	Fourth graders performing at the advanced level should be able to solve complex and nonroutine real-world problems in all NAEP content areas. They should display mastery in the use of four-function calculators, rulers, and geometric shapes. They students are expected to draw logical conclusions and justify answers and solution processes by explaining why, as well as how, they were achieved. They should go beyond the obvious in their interpretations and be able to communicate their thoughts clearly and concisely.

Table 21  
Grade 4 Public School Students:  
Average Mathematics Scale Scores

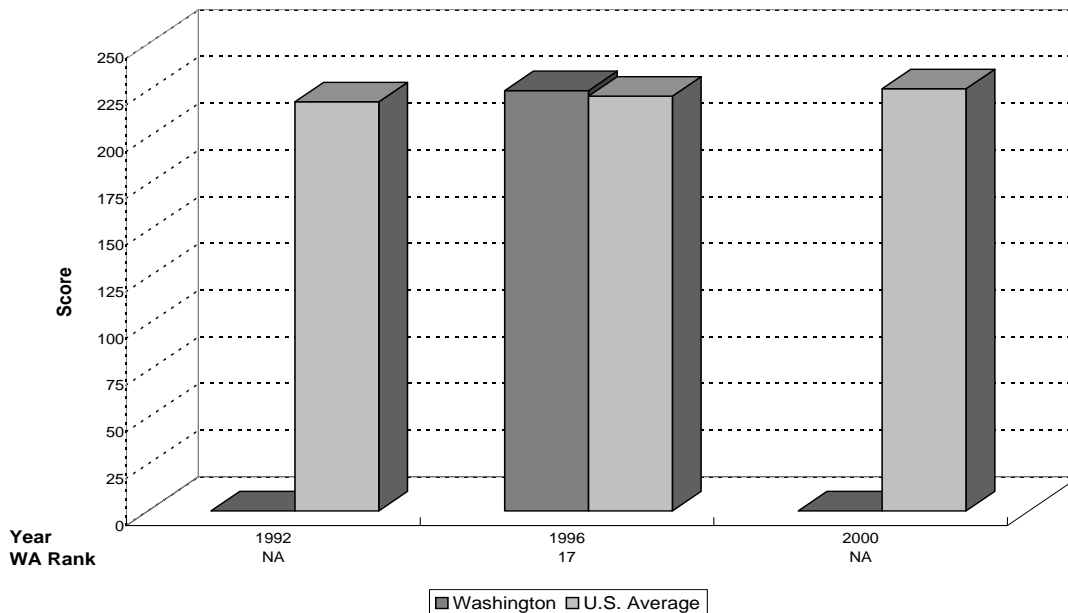


Table 21  
Education and Skills of the Workforce  
**Grade 4 Public School Students:  
Average Mathematics Scale Scores**

	1992	1996	2000	1992-96
Alabama	208	212	218	210
Alaska	NA	224	NA	224
Arizona	215	218	219	217
Arkansas	210	216	217	213
California	208	209	214	209
Colorado	221	226	NA	224
Connecticut	227	232	234	230
Delaware	218	215	NA	217
Florida	214	216	NA	215
Georgia	216	215	220	216
Hawaii	214	215	216	215
Indiana	221	229	234	225
Iowa	230	229	233	230
Kentucky	215	220	221	218
Louisiana	204	209	218	207
Maine	232	232	231	232
Maryland	217	221	222	219
Massachusetts	227	229	235	228
Michigan	220	226	231	223
Minnesota	228	232	235	230
Mississippi	202	208	211	205
Missouri	222	225	229	224
Montana	NA	228	230	228
Nebraska	225	228	226	227
Nevada	NA	218	220	218
New Jersey	227	227	NA	227
New Mexico	213	214	214	214
New York	218	223	227	221
North Carolina	213	224	232	219
North Dakota	229	231	231	230
Oregon	NA	223	227	223
Pennsylvania	224	226	NA	225
Rhode Island	215	220	225	218
South Carolina	212	213	220	213
Tennessee	211	219	220	215
Texas	218	229	233	224
Utah	224	227	227	226
Vermont	NA	225	232	225
Virginia	221	223	230	222
<b>Washington</b>	<b>NA</b>	<b>225</b>	<b>NA</b>	<b>225</b>
West Virginia	215	223	225	219
Wisconsin	229	231	NA	230
Wyoming	225	223	229	224
U.S. Average	219	222	226	221
<b>Washington's Rank</b>	<b>NA</b>	<b>17</b>	<b>NA</b>	<b>12</b>

NA: State did not participate in the NAEP assessment during this year.  
Source: National Center for Education Statistics. National Assessment of Education Progress (NAEP) 1992, 1996, 2000 Reading Report Card.

# Student to Teacher Ratios

Efforts to reduce class size, particularly in the primary grades, have been at the forefront of political discussions concerning education for the past two decades. Lowering student to teacher ratios has nonetheless remained one of the principal goals of national education reform.

Smaller class sizes facilitate additional individualized attention, which encourages student participation and has a direct influence on student achievement. This kind of intimacy between students and teachers raises the quality of instruction, reduces disciplinary problems, is more conducive to character and social skills development and enhances the general classroom experience. A lower student to teacher ratio creates a better connection between a student's ability and the instruction provided. Teachers gain more knowledge concerning each child's needs as a learner and have more flexibility to adopt instructional techniques to meet these needs.

Over the past decade, the student to teacher ratio in Washington has remained constant at approximately 20 students per teacher. The national average has been continually declining and in 1998 was 16.5, a decline of nearly one student per teacher since the 1992 student to teacher ratio of 17.4. Unfortunately, Washington has not shared in the positive movement and has ranked 48<sup>th</sup> over the last 5 years. However, Initiative 728, which took effect on July 1, 2001, should substantially reduce the student to teacher ratio in the state of Washington. Under the initiative, Lottery revenues will be redirected from the State General Fund to the Student Achievement Fund and the Education Construction Fund for the purpose of hiring additional teachers and expanding school facilities.

Chart 22

Student to Teacher Ratios in Elementary and Secondary Public Schools

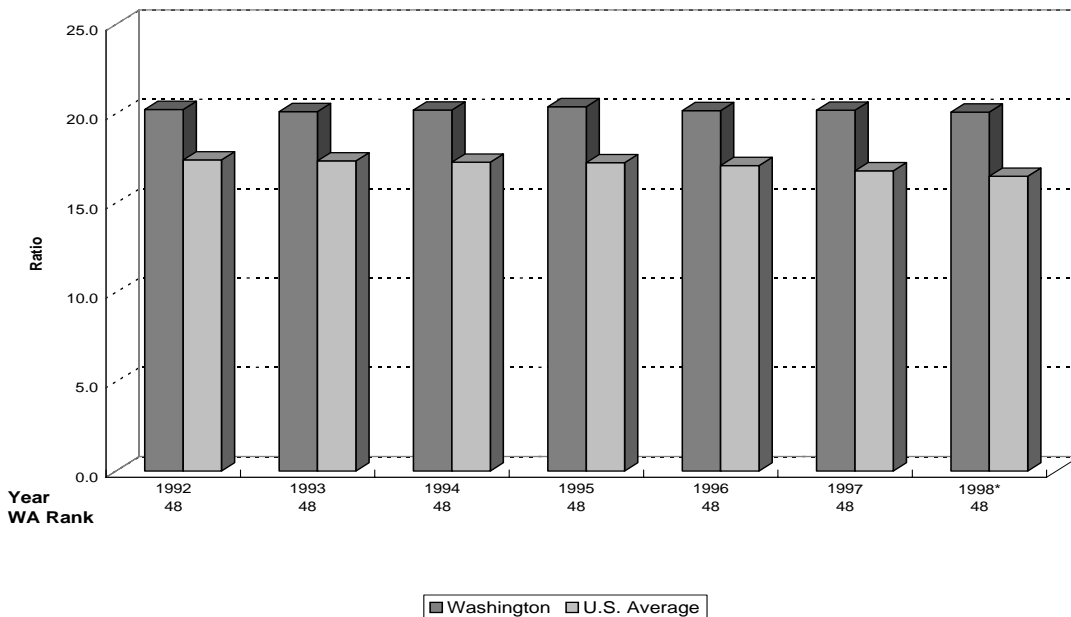


Table 22  
Education and Skills of the Workforce  
**Pupil to Teacher Ratios in Elementary  
and Secondary Public Schools**

	1994	1995	1996	1997	1998*	1994-98
Alabama	17.2	16.9	16.6	16.3	15.7	16.5
Alaska	17.6	17.3	17.5	17.3	16.7	17.3
Arizona	19.3	19.6	19.7	19.8	20.0	19.7
Arkansas	17.1	17.1	17.1	16.9	16.2	16.9
California	24.0	24.0	22.9	21.6	21.0	22.7
Colorado	18.4	18.5	18.5	18.2	17.7	18.3
Connecticut	14.4	14.4	14.4	14.2	14.0	14.3
Delaware	16.6	16.8	16.6	16.3	16.0	16.5
Florida	19.1	18.9	18.6	18.4	18.4	18.7
Georgia	16.3	16.5	16.5	16.2	15.8	16.3
Hawaii	17.9	17.8	17.7	17.8	17.7	17.8
Idaho	19.1	19.0	18.8	18.5	18.2	18.7
Illinois	17.3	17.1	17.0	16.8	16.5	16.9
Indiana	17.5	17.5	17.3	17.2	17.0	17.3
Iowa	15.8	15.5	15.4	15.3	15.2	15.4
Kansas	15.1	15.1	15.1	14.9	14.8	15.0
Kentucky	17.0	16.9	16.7	16.5	16.1	16.6
Louisiana	16.8	17.0	16.6	16.6	16.6	16.7
Maine	13.8	13.9	13.7	13.5	13.2	13.6
Maryland	17.0	16.8	17.1	17.2	16.9	17.0
Massachusetts	14.8	14.6	14.5	14.1	13.8	14.4
Michigan	20.1	19.7	19.1	18.8	18.5	19.2
Minnesota	17.5	17.8	17.6	16.4	16.9	17.2
Mississippi	17.5	17.5	17.2	17.1	16.1	17.1
Missouri	15.5	15.4	15.2	15.0	14.7	15.1
Montana	16.3	16.4	16.0	15.9	15.7	16.1
Nebraska	14.5	14.5	14.5	14.5	14.3	14.5
Nevada	18.7	19.1	19.1	18.5	18.9	18.9
New Hampshire	15.6	15.7	15.6	15.6	15.4	15.6
New Jersey	13.8	13.8	14.0	13.9	13.8	13.9
New Mexico	17.2	17.0	16.7	16.9	16.5	16.8
New York	15.2	15.5	15.4	15.0	14.6	15.1
North Carolina	16.2	16.2	16.1	15.9	15.8	16.0
North Dakota	15.3	15.9	15.2	14.7	14.4	15.1
Ohio	16.6	17.1	17.0	16.7	16.2	16.7
Oklahoma	15.5	15.7	15.7	15.5	15.4	15.5
Oregon	19.9	19.8	20.1	20.1	20.0	20.0
Pennsylvania	17.1	17.0	17.0	16.8	16.4	16.9
Rhode Island	14.7	14.3	14.2	14.5	13.9	14.3
South Carolina	16.4	16.2	15.7	15.6	15.2	15.8
South Dakota	14.4	15.0	14.9	15.3	14.3	14.8
Tennessee	18.6	16.7	16.5	16.5	15.3	16.7
Texas	15.7	15.6	15.5	15.3	15.2	15.4
Utah	24.3	23.8	24.4	22.9	22.4	23.6
Vermont	13.8	13.8	13.7	13.4	12.8	13.5
Virginia	14.6	14.4	14.7	14.7	14.2	14.5
<b>Washington</b>	<b>20.2</b>	<b>20.4</b>	<b>20.2</b>	<b>20.2</b>	<b>20.1</b>	<b>20.2</b>
West Virginia	14.8	14.6	14.6	14.4	14.2	14.5
Wisconsin	15.9	15.8	16.1	15.4	14.4	15.5
Wyoming	14.9	14.8	14.7	14.5	14.2	14.6
U.S. Average	17.3	17.3	17.1	16.8	16.5	17.0
<b>Washington's Rank</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>

\* 1998 indicates Fall of 1998 (i.e., June 1999). The same relationship exists for the previous years (1994-97).

Source: U.S. Department of Education, National Center for Education Statistics. Digest of Educational Statistics, 2000, NCES 2001-034, by Thomas D. Synder and Charlene M. Hoffman, Washington, DC:2001. ([www.nces.gov](http://www.nces.gov))

# Education Attainment

- Completed Bachelors Degree or More
- Completed 4 Years of High School or More

Educational attainment has a significant influence over multiple facets of a state's socio-economic climate. The relationship between educational attainment levels and several socio-economic outcomes has been well established.

In recent decades, increases in educational attainment were accountable for an estimated 11-20 percent increase in worker productivity. In fact, the National Center on the Educational Quality of the Workforce conducted a study that suggested a 10 percent increase in schooling is associated with an 8.6 percent increase in output. In 1999, the average annual earnings for people ages 18 and over who had not completed high school was only \$16,121, for people who had completed high school it was \$24,572 and for people with a bachelor's degree or more, it was substantially higher at \$52,883.

The level of educational attainment also largely influences unemployment and welfare reciprocity. In 1999, about 80 percent of the population over the age of 25 who held a bachelor's degree participated in the workforce. Of their peers with only a high school education, only 65 percent participated in the workforce. Moreover, the 1999 unemployment rate for adults (25 years old and over) who had not completed high school was 6.7 percent compared with 3.5 percent for those with at least a high school degree and 1.8 percent for those with a bachelor's degree. As expected, higher levels of education also correspond to lower rates of welfare reciprocity. In 1996, 25-34 year olds that had dropped out of high school were three times as likely compared to high school graduates to get aid from public assistance programs.

Educational attainment will have an increased emphasis on the aforementioned economic outcomes as the workplace becomes increasingly more technological and employers seek employees with the highest level of skill. In fact, some estimates suggest that between one-third and one-half of the increase in the rate of return on education is a result of expanded computer use.<sup>1</sup>

In 2000, 91.8 percent of Washington's 25 and over population had completed 4 years of high school or more, ranking it 1<sup>st</sup> among the states. In the last 5 years, Washington has never ranked lower than 4<sup>th</sup> in this category. Similarly, Washington performed relatively well under the college benchmark with 28.6 percent of the population (25 years of age and over) having completed a bachelor's degree or more. While this is the same percentage of people (25 years of age and over) who had completed at least a bachelor's degree in 1999, Washington still declined in national rank from 8<sup>th</sup> in 1999 to 11<sup>th</sup> in 2000. Nonetheless, over the past decade Washington has averaged a national ranking in the upper quintile for the bachelor's degree benchmark.

<sup>1</sup>National Center For Education Statistics, *Statistics Education and the Economy: An Indicators Report*, March 1997.

<sup>2</sup>National Center For Education Statistics, *Conditions of Education 1998*.

<sup>3</sup>National Center For Education Statistics, *Digest of Education Statistics 1999*, July 2000.

Chart 23  
Completed Four Years of High School or More

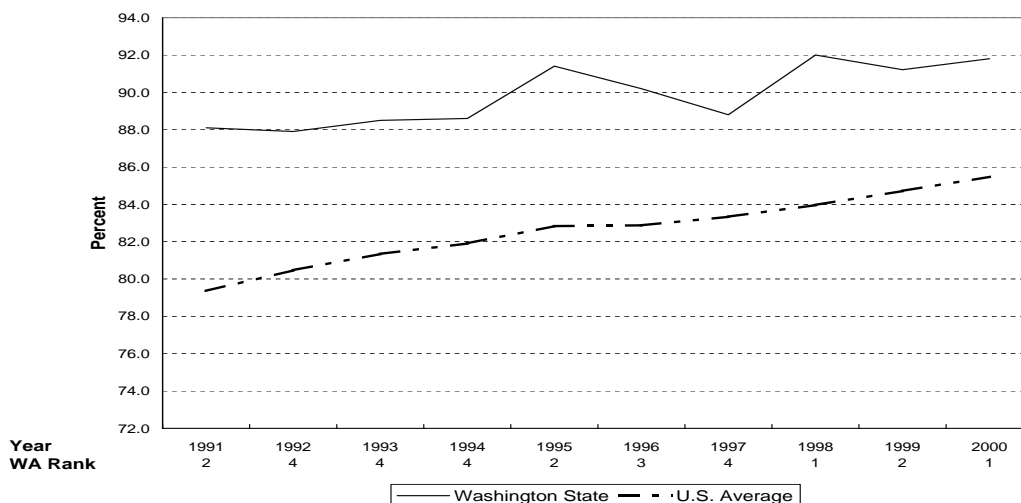


Table 23  
Education and Skills of the Workforce  
**Educational Attainment:**  
**Completed Four Years of High School or More**  
(Percent)\*

	1996	1997	1998	1999	2000	1996-00
Alabama	75.7	77.6	78.8	81.1	77.5	78.1
Alaska	91.4	92.1	90.6	92.8	90.4	91.5
Arizona	83.5	82.6	81.9	83.1	85.1	83.2
Arkansas	76.2	76.9	76.8	78.9	81.7	78.1
California	79.8	80.7	80.1	80.4	81.2	80.4
Colorado	89.1	87.6	89.6	90.4	89.7	89.3
Connecticut	85.3	84.0	83.7	83.7	88.2	85.0
Delaware	82.7	84.4	85.2	84.5	86.1	84.6
Florida	81.5	81.4	81.9	82.8	84.0	82.3
Georgia	76.5	78.8	80.0	80.7	82.6	79.7
Hawaii	84.4	83.7	84.6	88.0	87.4	85.6
Idaho	85.9	85.7	82.7	84.8	86.2	85.0
Illinois	83.2	84.4	84.2	85.4	85.5	84.5
Indiana	83.7	81.9	83.5	82.8	84.6	83.3
Iowa	87.4	86.7	87.7	89.8	89.7	88.3
Kansas	87.7	88.1	89.2	87.6	88.1	88.1
Kentucky	74.0	75.4	77.9	78.2	78.7	76.8
Louisiana	74.6	75.7	78.6	78.3	80.8	77.6
Maine	84.7	85.8	86.7	88.9	89.3	87.1
Maryland	84.6	84.7	84.7	84.7	85.7	84.9
Massachusetts	84.9	85.9	85.6	85.1	85.1	85.3
Michigan	84.2	86.0	85.4	85.5	86.2	85.5
Minnesota	87.9	87.9	89.4	91.1	90.8	89.4
Mississippi	75.2	77.5	77.3	78.0	80.3	77.7
Missouri	83.9	80.1	82.9	85.0	86.6	83.7
Montana	85.6	88.6	89.1	88.8	89.6	88.3
Nebraska	87.4	86.0	87.7	89.3	90.4	88.2
Nevada	85.4	85.4	89.1	86.4	82.8	85.8
New Hampshire	86.4	85.1	84.0	86.5	88.1	86.0
New Jersey	84.9	84.8	86.5	87.4	87.3	86.2
New Mexico	77.1	78.0	79.6	80.9	82.2	79.6
New York	81.6	80.0	81.5	81.9	82.5	81.5
North Carolina	76.0	78.4	81.4	79.8	79.2	79.0
North Dakota	80.2	82.6	84.3	84.9	85.5	83.5
Ohio	84.9	86.2	86.2	86.1	87.0	86.1
Oklahoma	83.8	85.2	84.6	83.5	86.1	84.6
Oregon	87.5	84.7	85.5	86.2	88.1	86.4
Pennsylvania	81.6	82.4	84.1	86.1	85.7	84.0
Rhode Island	78.6	77.5	80.7	80.9	81.3	79.8
South Carolina	73.8	77.3	78.6	78.6	83.0	78.3
South Dakota	82.4	85.6	86.3	88.7	91.8	87.0
Tennessee	79.0	76.1	76.9	79.1	79.9	78.2
Texas	76.4	87.5	78.3	78.2	79.2	79.9
Utah	90.7	89.5	89.3	91.0	90.7	90.2
Vermont	86.9	84.4	86.7	89.3	90.0	87.5
Virginia	82.0	81.3	82.6	87.3	86.6	84.0
<b>Washington</b>	<b>90.2</b>	<b>88.8</b>	<b>92.0</b>	<b>91.2</b>	<b>91.8</b>	<b>90.8</b>
West Virginia	74.7	77.3	76.4	75.1	77.1	76.1
Wisconsin	88.7	87.1	88.0	86.7	86.7	87.4
Wyoming	90.2	91.3	90.0	90.7	90.0	90.4
50 State Average	82.9	83.3	84.0	84.7	85.5	84.1
<b>Washington's Rank</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>2</b>

\*Percent of persons 25 years or older who have completed high school or more.

Source: U.S. Department of Commerce, Bureau of the Census, Educational Attainment in the United States: March 1996-2000. ([www.census.gov](http://www.census.gov))

Chart 24  
Completed Bachelor's Degree or More

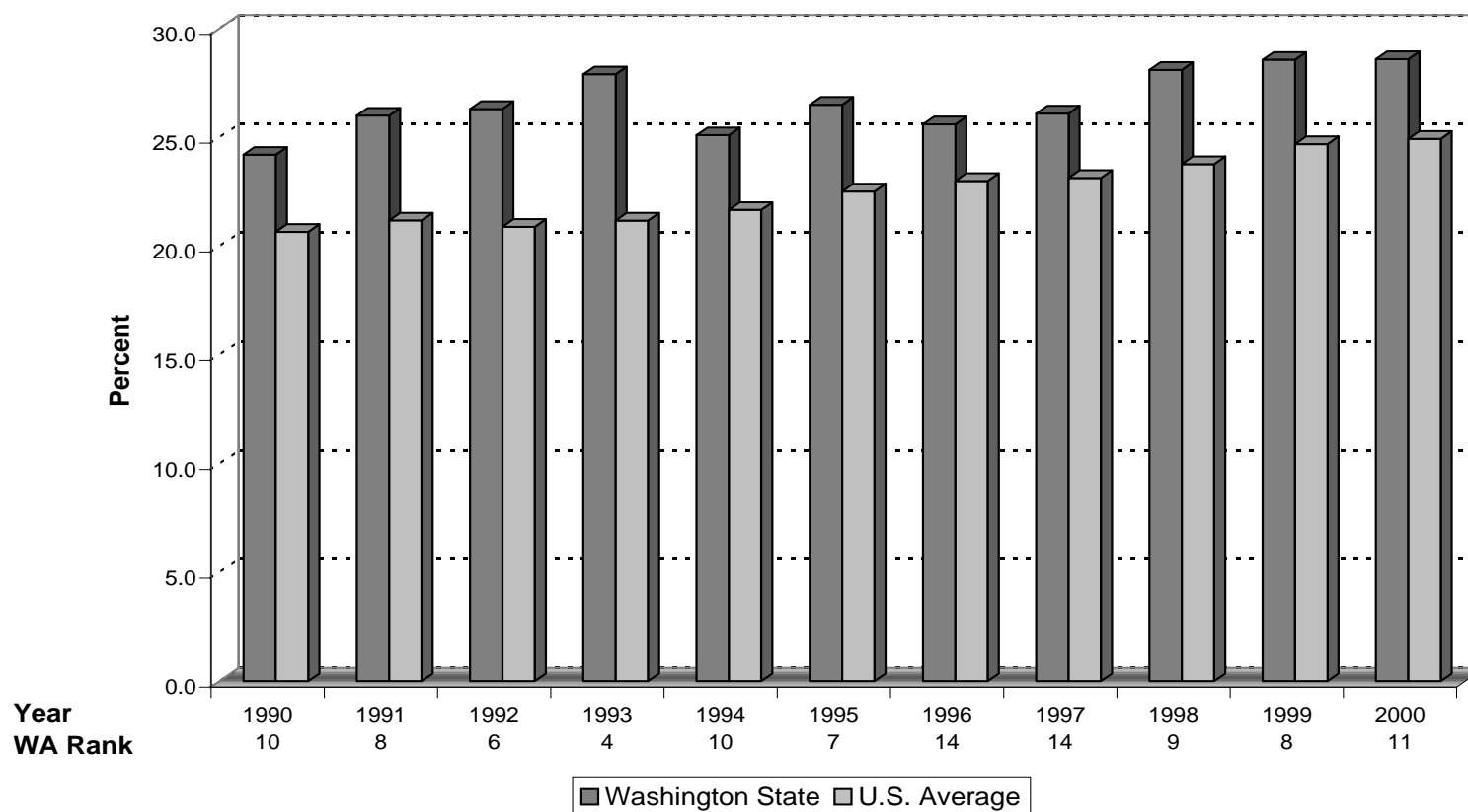


Table 24  
Education and Skills of the Workforce  
**Educational Attainment: Completed Bachelor's Degree or More**  
(Percent)\*

	1996	1997	1998	1999	2000	1996-00
Alabama	18.0	19.3	20.6	21.8	20.4	20.0
Alaska	27.2	27.5	24.2	25.5	28.1	26.5
Arizona	20.4	19.5	21.9	24.2	24.6	22.1
Arkansas	14.6	14.6	16.2	17.3	18.4	16.2
California	26.8	27.5	26.4	27.1	27.5	27.1
Colorado	30.4	28.9	34.0	38.7	34.6	33.3
Connecticut	32.3	30.0	31.4	33.5	31.6	31.8
Delaware	27.4	26.8	25.1	24.0	24.0	25.5
Florida	20.4	21.7	22.5	21.6	22.8	21.8
Georgia	22.4	22.3	20.7	21.5	23.1	22.0
Hawaii	23.9	22.5	24.0	26.2	26.3	24.6
Idaho	20.3	19.4	20.3	20.8	20.0	20.2
Illinois	24.5	25.0	25.8	25.6	27.1	25.6
Indiana	16.2	16.2	17.7	18.4	17.1	17.1
Iowa	21.3	21.7	20.3	21.7	25.5	22.1
Kansas	26.5	27.5	28.5	26.5	27.3	27.3
Kentucky	17.5	17.6	20.1	19.8	20.5	19.1
Louisiana	19.2	18.1	19.5	20.7	22.5	20.0
Maine	19.7	20.0	19.2	22.9	24.1	21.2
Maryland	32.5	32.2	31.8	34.7	32.3	32.7
Massachusetts	32.4	33.5	31.0	31.0	32.7	32.1
Michigan	21.1	21.0	22.1	21.3	23.0	21.7
Minnesota	26.3	28.3	31.0	32.0	31.2	29.8
Mississippi	16.9	20.9	19.5	19.2	18.7	19.0
Missouri	24.3	22.9	22.4	23.0	26.2	23.8
Montana	21.9	25.2	23.9	23.9	23.8	23.8
Nebraska	24.0	21.3	20.9	20.4	24.6	22.2
Nevada	19.0	19.9	20.6	20.2	19.3	19.8
New Hampshire	27.6	27.0	26.6	27.2	30.1	27.7
New Jersey	28.3	28.5	30.1	30.5	30.1	29.5
New Mexico	20.8	23.6	23.1	24.5	23.6	23.1
New York	25.6	25.8	26.8	26.9	28.7	26.8
North Carolina	21.0	22.6	23.3	23.9	23.2	22.8
North Dakota	19.9	20.5	22.5	22.3	22.6	21.6
Ohio	22.3	21.5	21.5	25.5	24.6	23.1
Oklahoma	20.1	20.5	20.5	23.6	22.5	21.4
Oregon	22.8	24.3	27.7	26.8	27.2	25.8
Pennsylvania	22.3	22.9	22.1	23.9	24.3	23.1
Rhode Island	24.5	25.7	27.8	26.9	26.4	26.3
South Carolina	18.1	19.2	21.3	20.9	19.0	19.7
South Dakota	20.8	20.1	21.8	25.6	25.7	22.8
Tennessee	19.5	17.1	16.9	17.7	22.0	18.6
Texas	21.9	22.4	23.3	24.4	23.9	23.2
Utah	25.6	26.7	27.6	27.9	26.4	26.8
Vermont	27.1	23.7	27.1	28.3	28.8	27.0
Virginia	26.3	28.0	30.3	31.6	31.9	29.6
<b>Washington</b>	<b>25.6</b>	<b>26.1</b>	<b>28.1</b>	<b>28.6</b>	<b>28.6</b>	<b>27.4</b>
West Virginia	14.2	14.7	16.3	18.0	15.3	15.7
Wisconsin	24.0	22.4	22.3	23.6	23.8	23.2
Wyoming	24.2	22.2	19.8	22.3	20.6	21.8
U.S. Average	23.0	23.1	23.8	24.7	24.9	23.9
<b>Washington's Rank</b>	<b>14</b>	<b>14</b>	<b>9</b>	<b>8</b>	<b>11</b>	<b>9</b>

Source: U.S. Department of Commerce, Bureau of the Census. Educational Attainment in the United States:  
March 1996-2000. ([www.census.gov](http://www.census.gov))

\* Percent of persons 25 years old and over who have completed a Bachelor's degree or more.

# Total Public Two and Four Year College Combined Participation Rate

(Not updated due to unavailability of data)

Washington, more than most states, relies heavily on the community college system to provide the first two years of a college education. This affects participation rates in predictable ways. Washington and states with a similar policy have higher than average two-year participation rates, and lower than average four-year participation rates. Since two- and four-year participation rates presented separately give a skewed view of Washington's overall participation rate, this report combines the two statistics to produce a participation rate inclusive of two and four-year participants. With this adjustment, states that are more reliant on the community college system can be better compared to other states.

With the combined measure, Washington's 1997 rate of 6.6 is comparable with the rest of the U.S. (an average rate of 5.7). Washington's higher education participation rate has changed very little between 1993 and 1997, although its rank improved from 14<sup>th</sup> to 10<sup>th</sup>. It is important to note that the data from 1993 to present included students enrolled in five technical colleges. This accounts for the increase from 6.1 to 6.7 percent and improvement in rank from 23<sup>rd</sup> to 14<sup>th</sup> from 1992 to 1993.

Chart 25

Total Public Two and Four Year Combined Participation Rate

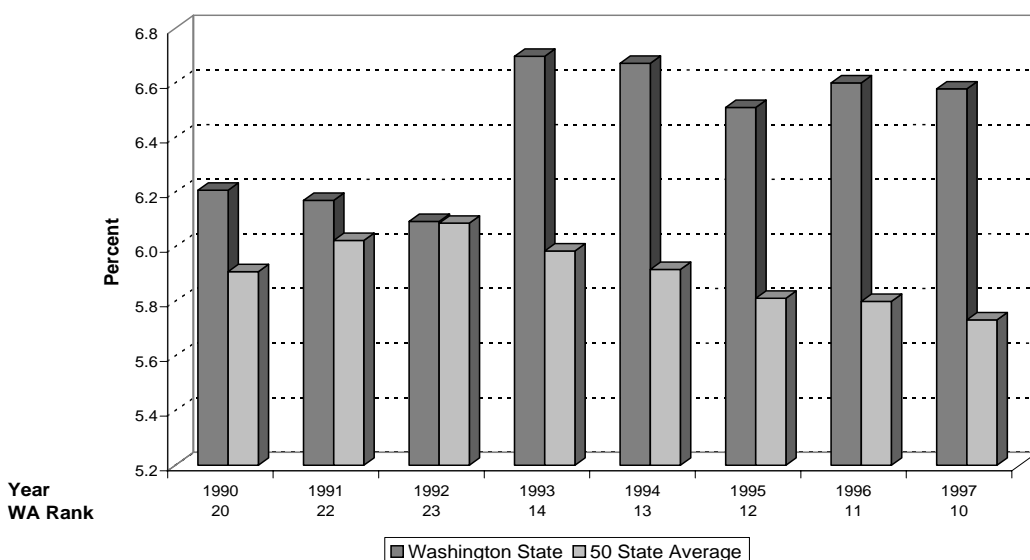


Table 25  
Education and Skills of the Workforce  
**Total Public Two and Four Year College Combined Participation Rate**  
(Participation Rate)\*

	1993	1994	1995	1996	1997	1993-97
Alabama	6.6	7.5	6.3	6.0	5.9	6.5
Alaska	6.9	6.5	6.7	6.5	6.2	6.6
Arizona	8.5	8.4	8.3	7.9	7.7	8.2
Arkansas	4.8	4.6	4.7	5.2	5.3	4.9
California	7.0	6.8	6.7	7.0	7.0	6.9
Colorado	7.9	7.7	7.5	7.5	7.5	7.6
Connecticut	4.2	4.1	4.0	3.9	3.8	4.0
Delaware	6.7	6.7	6.6	6.6	6.4	6.6
Florida	4.8	4.9	4.8	5.0	5.1	4.9
Georgia	4.7	4.6	4.6	4.6	4.5	4.6
Hawaii	5.7	5.8	5.6	5.3	5.0	5.5
Idaho	6.0	6.0	5.9	5.8	5.7	5.9
Illinois	6.3	6.2	6.0	6.0	6.0	6.1
Indiana	5.3	5.2	5.1	5.0	5.1	5.1
Iowa	5.7	5.7	5.7	5.8	5.9	5.8
Kansas	8.2	8.0	8.4	8.3	8.4	8.3
Kentucky	5.4	5.2	5.1	5.2	5.1	5.2
Louisiana	5.6	5.6	5.5	5.9	5.9	5.7
Maine	4.2	4.1	4.0	4.0	3.9	4.1
Maryland	6.0	5.9	5.8	5.7	5.6	5.8
Massachusetts	3.9	3.8	3.8	3.7	3.7	3.8
Michigan	6.8	6.6	6.5	6.2	6.2	6.5
Minnesota	6.2	6.7	6.3	6.1	5.8	6.2
Mississippi	5.7	5.5	5.6	5.7	5.9	5.7
Missouri	5.0	4.8	4.7	4.7	4.7	4.8
Montana	5.5	5.5	5.8	5.8	5.8	5.7
Nebraska	8.0	8.0	7.8	8.1	7.2	7.8
Nevada	6.1	5.8	5.8	6.0	5.8	5.9
New Hampshire	4.2	4.1	4.2	4.1	4.0	4.1
New Jersey	4.6	4.5	4.5	4.3	4.2	4.4
New Mexico	8.5	8.2	8.0	8.1	8.1	8.2
New York	4.4	4.4	4.3	4.1	4.1	4.2
North Carolina	5.7	5.6	5.5	5.4	5.3	5.5
North Dakota	7.7	7.7	7.6	7.6	7.2	7.6
Ohio	5.1	5.0	4.9	4.8	4.8	4.9
Oklahoma	6.7	6.7	6.5	6.6	6.5	6.6
Oregon	6.2	6.0	6.0	5.8	5.8	6.0
Pennsylvania	3.8	3.7	3.6	3.7	3.6	3.7
Rhode Island	5.3	5.1	5.1	4.9	4.9	5.0
South Carolina	5.4	5.4	5.3	5.3	5.1	5.3
South Dakota	6.0	5.9	5.6	6.0	6.0	5.9
Tennessee	5.0	4.8	4.8	4.9	4.7	4.9
Texas	6.4	6.3	6.2	6.0	6.0	6.2
Utah	8.1	8.5	8.3	8.3	8.4	8.3
Vermont	4.8	4.6	4.6	4.5	4.5	4.6
Virginia	5.9	5.8	5.8	5.7	5.8	5.8
<b>Washington</b>	<b>6.7</b>	<b>6.7</b>	<b>6.5</b>	<b>6.6</b>	<b>6.6</b>	<b>6.6</b>
West Virginia	5.5	5.4	5.2	5.3	5.3	5.3
Wisconsin	6.8	6.6	6.4	6.3	6.2	6.5
Wyoming	8.8	8.7	8.3	8.4	8.2	8.5
50 State Average	6.0	5.9	5.8	5.8	5.7	5.8
<b>Washington's Rank</b>	<b>14</b>	<b>13</b>	<b>12</b>	<b>11</b>	<b>10</b>	<b>10</b>

\*Participation rate: Headcount compared to population aged 17 & above.

Source: Integrated Post-Secondary Education Data System. National Center for Education Statistics, U.S. Department of Education. 1990-1995. Higher Education Enrollment Statistics and Projections. March 2000.

# Infrastructure

*One out of the three infrastructure benchmarks improved, while the other two regressed in rank. However, interstate conditions realized vast improvements over recent years and now rank in the top half of the Nation.*

# Interstate Miles in Poor Condition

Since 1990, the Federal Highway Administration (FHWA) has required states to report on road roughness according to the International Roughness Index (IRI). The IRI is collected in accordance with the Highway Performance Monitoring System Field Manual for the Continuing Analytical and Statistical Database. This document mandates standard codes for the collection and publication of the IRI and therefore ensures that various data will be reported in a consistent format. The IRI is used in the development of Federal highway legislation and is published annually in the FHWA's Highway Statistics. On a state level, this information is used as an aid to highway planning, programming, budgeting, forecasting and fiscal management. Maintaining interstate and highway conditions is crucial for ensuring safety, improving efficiency, and allowing fluid movement of people and goods throughout the state.

In 1999, Washington matched its 1998 record low of 1.4 percent of interstate miles in poor condition, ranking 20<sup>th</sup> in the nation. In 1996 and 1997, Washington ranked 41<sup>st</sup> and 40<sup>th</sup> respectively with 10 and 8.9 percent of its interstates considered in poor condition. The magnitude of the improvement from 1996-97 to 1998-99 can largely be attributed to heavy construction on Interstates 90, 82, and 5 during 1997. The 97-99 biennium witnessed \$60,810,000 in improvements from the paving program.

Chart 26  
Interstate Highways in Poor Condition

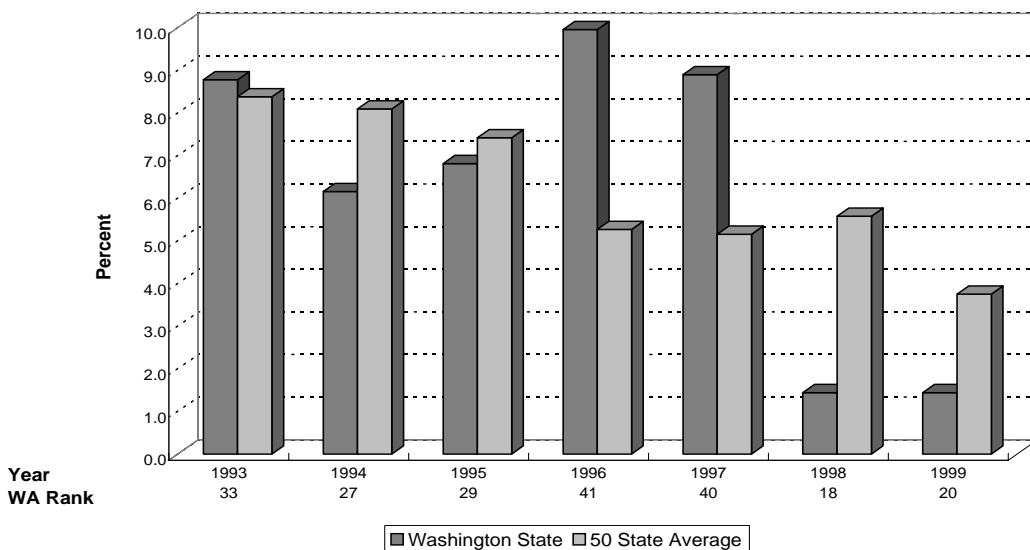


Table 26  
Infrastructure  
**Interstate Miles in Poor Condition**  
(Percent)

	1995	1996	1997	1998	1999	1995-99
Alabama	0.4	0.6	0.6	0.6	1.1	0.6
Alaska	8.9	9.4	9.1	8.0	4.3	8.0
Arizona	1.3	0.3	0.6	1.4	0.2	0.8
Arkansas	29.9	29.7	28.7	39.1	30.7	31.6
California	11.4	10.1	10.9	10.8	10.7	10.8
Colorado	30.5	21.0	17.6	12.7	0.5	16.5
Connecticut	17.5	9.3	7.2	6.3	6.9	9.5
Delaware	30.0	29.3	29.3	29.3	28.2	29.2
Florida	1.0	1.1	0.2	0.0	0.6	0.6
Georgia	0.0	0.0	0.0	0.0	0.2	0.0
Hawaii*	NA	NA	NA	NA	NA	NA
Idaho	4.4	2.9	1.5	1.5	2.1	2.5
Illinois**	7.6	4.9	4.3	NA	2.5	4.8
Indiana	5.1	4.1	3.5	1.1	0.5	2.9
Iowa	2.0	2.6	2.4	2.8	2.8	2.5
Kansas	0.8	0.0	2.0	0.8	0.8	0.9
Kentucky	10.4	1.0	0.8	1.2	2.0	3.1
Louisiana	0.8	4.9	8.4	14.2	12.9	8.2
Maine	0.0	0.0	0.0	0.0	0.0	0.0
Maryland	4.8	4.8	4.4	5.4	4.0	4.7
Massachusetts	2.1	2.3	1.8	0.9	1.4	1.7
Michigan	3.9	5.2	5.2	11.3	7.9	6.7
Minnesota	47.0	5.4	2.6	6.7	0.3	12.4
Mississippi	7.9	5.8	6.0	5.5	4.7	6.0
Missouri	1.5	1.5	3.5	3.8	3.4	2.8
Montana	4.2	4.2	0.9	0.9	1.1	2.3
Nebraska	13.8	0.2	5.0	6.2	2.3	5.5
Nevada	0.2	3.9	5.4	5.3	1.6	3.3
New Hampshire	0.0	0.0	0.0	0.4	0.4	0.2
New Jersey	13.0	12.9	32.7	32.7	7.1	19.7
New Mexico	9.4	4.6	12.7	3.7	5.4	7.2
New York	12.5	12.5	12.2	12.3	16.6	13.2
North Carolina	12.6	19.3	16.3	14.3	6.7	13.8
North Dakota	5.8	5.1	0.0	0.0	0.0	2.2
Ohio	1.2	1.2	0.6	0.3	1.1	0.9
Oklahoma	11.1	11.1	6.8	6.8	7.1	8.6
Oregon	0.1	0.5	0.1	43.1	0.1	8.8
Pennsylvania	12.0	9.1	7.4	1.5	3.5	6.7
Rhode Island	5.0	5.0	0.0	1.5	1.4	2.6
South Carolina	0.0	0.1	0.1	0.4	1.3	0.4
South Dakota	5.6	5.3	8.0	6.4	3.0	5.7
Tennessee	2.8	3.9	3.9	2.5	0.9	2.8
Texas	8.1	0.5	0.6	0.7	0.6	2.1
Utah	0.0	0.0	0.0	3.2	2.0	1.0
Vermont	0.3	0.0	0.0	0.0	2.8	0.6
Virginia	8.5	1.9	1.9	2.1	1.8	3.2
<b>Washington</b>	<b>6.8</b>	<b>10.0</b>	<b>8.9</b>	<b>1.4</b>	<b>1.4</b>	<b>5.7</b>
West Virginia	8.2	7.6	1.8	1.6	5.3	4.9
Wisconsin	3.9	3.4	3.2	3.9	1.5	3.2
Wyoming	0.3	0.1	0.1	0.1	0.0	0.2
U.S. Average	7.4	5.3	5.2	5.6	3.8	5.4
<b>Washington's Rank</b>	<b>29</b>	<b>41</b>	<b>40</b>	<b>18</b>	<b>20</b>	<b>32</b>

\*The FHWA has recently found that between 1993 and 1999, the state of Hawaii did not use the International Roughness Index as an indicator of pavement conditions and instead used a system of measurement not up to FHWA standards. Their source was also unable to be verified and as a result, the FHWA has recalled the figures for Hawaii between 1993 and 1999.

\*\*Illinois has chosen to withhold their 1999 figures.

Source: Highway Statistics, 1993-1999. Table Hm-64, Federal Highway Administration. ([www.fhwa.dot.gov](http://www.fhwa.dot.gov))

# Urban Roadway Congestion Index

The Urban Roadway Congestion Index (RCI) is a traffic density indicator calculated as a ratio of daily traffic volume to the optimum volume for a given road system. The index is calculated by the Texas Department of Transportation. It includes a sample of 50 urban areas selected to represent those areas with populations greater than 800,000 or those with a significant amount of congestion. Ultimately, the RCI measures both the intensity and duration of congestion. An RCI greater than or equal to 1 indicates that congestion exists throughout the area. In fact, congestion delays typically extend to 2 hours in peak travel times where the RCI value exceeds 1.0.

The costs of congestion result in economic inefficiency as travelers waste fuel and incur the opportunity cost of extra travel time. In 1982, the average annual delay per person was only 11 hours but this has more than tripled to 36 hours in 1999. The congestion “bill” for the selected areas of the study totaled \$78 billion in 1999, which was the value of 4.5 billion hours of delay and 6.8 billion gallons of excess fuel consumed. Furthermore, the RCI average for 1999 was 1.10; the highest average since the index was first calculated.

The Seattle-Everett region also realized its highest RCI ever, with an area average of 1.3, making it the 5<sup>th</sup> most congested area in the study. The region has consistently ranked as the 5<sup>th</sup> or 6<sup>th</sup> most congested since 1992. It is estimated that 48.3 percent of daily travel in the Seattle-Everett area will occur in congested conditions.

Chart 27  
Urban Roadway Congestion Index

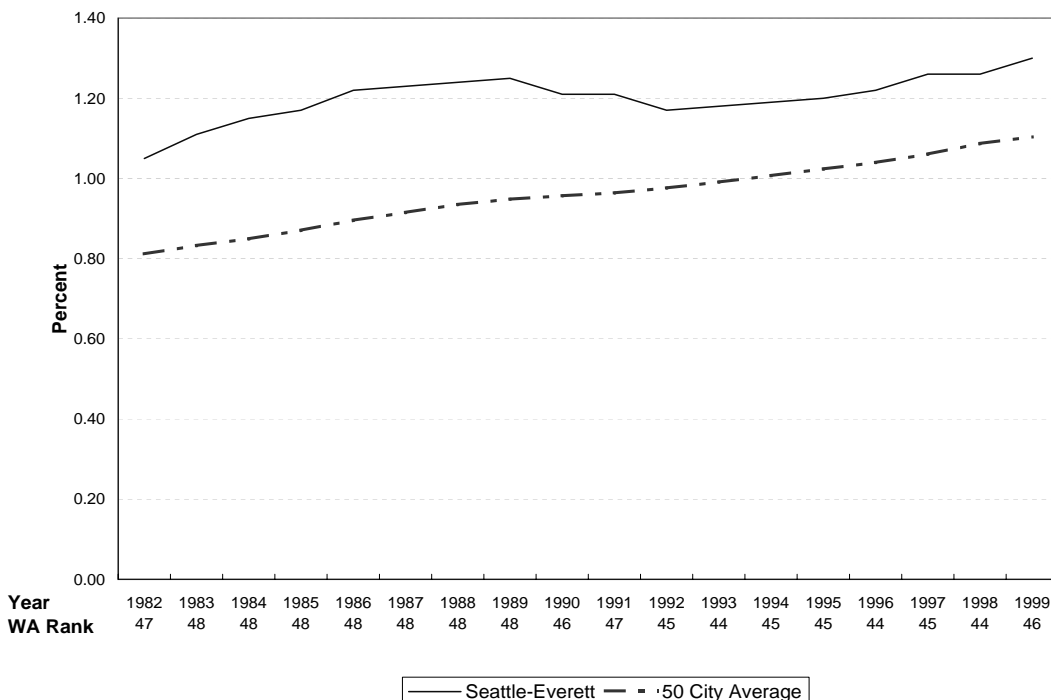


Table 27  
Infrastructure  
**Urban Roadway Congestion Index**  
(Values greater than 1 indicate congestion)

	1995	1996	1997	1998	1999	1995-99
Albuquerque NM	0.98	1.01	1.05	1.12	1.13	1.06
Atlanta GA	1.12	1.17	1.23	1.28	1.27	1.21
Austin TX	0.94	0.96	1.03	1.04	1.06	1.01
Baltimore MD	1.03	1.04	1.05	1.06	1.07	1.05
Boston MA	1.19	1.22	1.24	1.27	1.28	1.24
Charlotte NC	0.96	0.97	1.04	1.09	1.14	1.04
Chicago IL-Northwestern IN	1.24	1.26	1.28	1.31	1.31	1.28
Cincinnati OH-KY	1	1.02	1.08	1.11	1.12	1.07
Cleveland OH	0.98	0.99	1.01	0.98	0.99	0.99
Columbus OH	0.99	1	1.04	1.05	1.05	1.03
Corpus Christi TX	0.62	0.67	0.72	0.7	0.71	0.68
Dallas TX	0.98	1	1.04	1.04	1.05	1.02
Denver CO	1.03	1.07	1.08	1.18	1.2	1.11
Detroit MI	1.15	1.15	1.18	1.18	1.2	1.17
El Paso TX-NM	0.84	0.83	0.86	0.91	0.94	0.88
Fort Worth TX	0.87	0.9	0.91	0.94	0.96	0.92
Ft. Lauderdale-Hillywd-Pompano Beach FL	1.02	1.04	1.08	1.12	1.17	1.09
Hartford-Middletown CT	0.87	0.88	0.9	0.91	0.94	0.90
Honolulu HI	1.07	1.07	1.06	1.06	1.06	1.06
Houston TX	0.98	1.02	1.07	1.1	1.1	1.05
Indianapolis IN	1.01	1	1.05	1.12	1.11	1.06
Jacksonville FL	0.88	0.92	0.93	1.01	1	0.95
Kansas City MO-KS	0.72	0.75	0.76	0.77	0.79	0.76
Los Angeles CA	1.5	1.54	1.51	1.58	1.58	1.54
Louisville KY	0.99	1.02	1.04	1.08	1.09	1.04
Memphis TN-AR-MS	0.93	0.95	0.96	0.99	0.98	0.96
Miami-Hialeah FL	1.28	1.22	1.26	1.22	1.23	1.24
Milwaukee WI	1.02	1.01	1.01	1.02	1.05	1.02
Minn-St. Paul MN	1.06	1.08	1.13	1.18	1.2	1.13
Nashville TN	0.93	0.92	0.96	0.97	1.01	0.96
New Orleans LA	1.02	0.99	0.99	1	0.99	1.00
New York NY-Northeastern NJ	1.04	1.06	1.11	1.14	1.15	1.10
Norfolk VA	0.93	0.97	0.97	0.96	0.97	0.96
Oklahoma City OK	0.82	0.84	0.85	0.86	0.88	0.85
Orlando FL	0.84	0.87	0.93	1.05	1.05	0.95
Philadelphia PA-NJ	1	1.03	1.05	1.05	1.06	1.04
Phoenix AZ	1.06	1.11	1.13	1.16	1.21	1.13
Pittsburgh PA	0.76	0.76	0.76	0.78	0.78	0.77
Portland-Vancouver OR-WA	1.15	1.2	1.22	1.22	1.24	1.21
Sacramento CA	1.12	1.15	1.14	1.18	1.2	1.16
Salt Lake City UT	1.04	1.05	1.04	1.01	1	1.03
San Antonio TX	0.88	0.89	0.92	0.96	1.02	0.93
San Bernardino-Riv CA	1.16	1.17	1.15	1.2	1.24	1.18
San Diego CA	1.13	1.14	1.12	1.19	1.25	1.17
San Fran-Oak CA	1.34	1.36	1.33	1.37	1.39	1.36
San Jose CA	1.08	1.08	1.08	1.13	1.19	1.11
<b>Seattle-Everett WA</b>	<b>1.2</b>	<b>1.22</b>	<b>1.26</b>	<b>1.26</b>	<b>1.3</b>	<b>1.25</b>
St. Louis MO-II	1	1.01	1.03	1.01	1.03	1.02
Tampa FL	1.11	1.09	1.07	1.08	1.1	1.09
Washington DC-MD-VA	1.32	1.32	1.33	1.35	1.34	1.33
50 City Average	1.02	1.04	1.06	1.09	1.10	1.06
<b>Washington's Rank</b>	<b>45</b>	<b>44</b>	<b>45</b>	<b>44</b>	<b>46</b>	<b>46</b>

David Shrank and Tim Lomax, 2001 Urban Mobility Study, Texas Transportation Institute. (<http://mobility.tamu.edu>)

# FAA Air Traffic Delays

Deregulation, privatization and globalization have created an airline industry that is characterized by increasing competition and decreasing profit margins. Today airlines compete vigorously in a market with a relatively elastic demand. As a result, the cost of flying has declined in real terms allowing more people to travel. Daily departures have more than doubled since deregulation ended the federal government's role in limiting capacity and setting prices. In 1999, U.S. airlines transported 694 million passengers on 13 million flights.<sup>1</sup> Moreover, an Air Transport Association of America (ATA) report, presented before the House Transportation and Infrastructure Committee, forecasted that by 2008 the number of passengers will increase 43 percent and this growth will require an additional 2,500 planes to accommodate transportation demands. According to the Federal Aviation Administration (FAA), by 2010, United States domestic passengers are expected to surpass one billion. If the predicted increase in air travel occurs, enlarged airport congestion and increased airline delays will undoubtedly ensue. Airline delays have substantial socioeconomic impacts and create severe dead weight losses. According to the ATA, commercial aviation delays are estimated to cost airlines and passengers over \$5 billion per year.

The FAA produces an annual Air Traffic Activity and Delay Report that details air traffic information for the 55 largest airports. Air traffic delays can occur at any phase of the flight and are characterized as delays that exceed 15 minutes. For comparison purposes, the report states the number of delays per 1000 operations. In 2000, the Seattle-Tacoma airport ranked 34<sup>th</sup> with 10.4 delays per 1000 operations (approximately 4,653 delays and 445,677 total operations). This was a substantial improvement from 1999 when the Seattle-Tacoma airport ranked 41<sup>st</sup> (18.4 delays per 1000 operations) in air-traffic delays with 7,982 delays and 433,660 total operations. Air-traffic delays increased nationally from an average of 17.1 delays per 1000 operations to 20.4 during the same period.

<sup>1</sup> White House Report on Air Traffic Control Reform. "Clinton Acts to Battle Flight Delays", December 7, 2000.

Chart 28  
FAA Air Traffic Delays

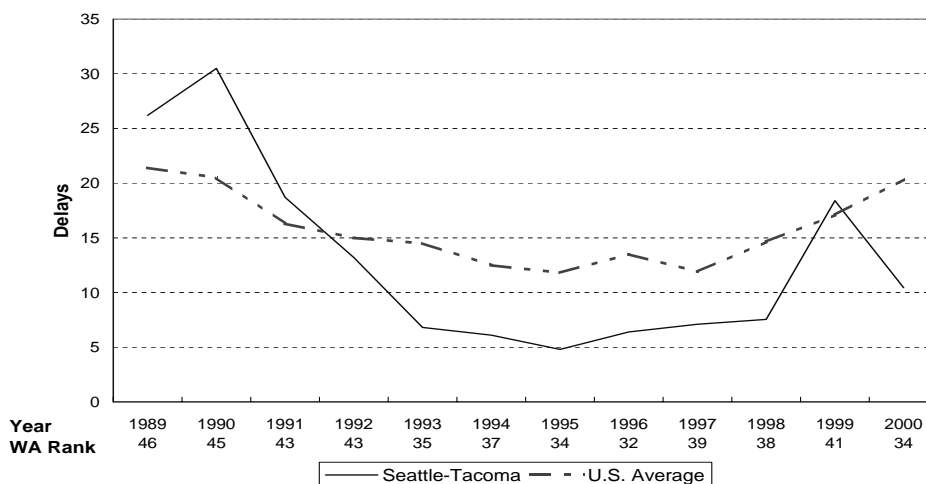


Table 28  
Infrastructure  
**FAA Air Traffic Delays**  
Delays Per 1000 Operations

	1996	1997	1998	1999	2000	1996-00
Albuquerque	0.1	0.5	0.5	0.4	0.7	0.4
Anchorage	0.3	0.3	0.8	1.2	0.7	0.7
Andrews AFB	2.0	1.7	1.4	1.9	1.3	1.7
Atlanta Hartsfield	23.9	31.8	33.1	36.0	30.9	31.1
Baltimore-Washington	3.7	1.8	2.6	5.2	6.9	4.0
Boston Logan	26.4	25.1	31.8	29.8	47.5	32.1
Bradley International	1.4	1.2	1.2	2.0	3.0	1.8
Charlotte Douglas	6.5	5.7	3.6	2.9	6.0	4.9
Chicago Midway	6.7	3.4	5.1	9.7	11.9	7.3
Chicago O'Hare	34.5	23.5	32.1	54.8	63.3	41.6
Cincinnati Tower	10.4	11.9	15.4	17.6	15.4	14.1
Cleveland Hopkins	4.7	5.7	6.3	10.9	11.4	7.8
Dallas/Ft. Worth	19.6	14.6	11.5	19.3	23.8	17.8
Dayton Cox	0.6	0.3	1.3	1.5	1.1	1.0
Denver Stapleton	1.9	2.9	1.7	2.5	2.2	2.3
Detroit Metro	9.1	8.3	9.4	20.6	17.6	13.0
Fairbanks	0.2	0.1	0.0	0.1	0.1	0.1
Ft. Lauderdale	1.5	2.0	2.1	2.7	3.7	2.4
Honolulu	0.2	0.3	0.1	0.1	0.0	0.1
Houston Hobby	2.6	3.3	3.4	4.4	2.5	3.2
Houston Intercontinental	11.5	12.9	22.2	20.6	28.1	19.1
Indianapolis	0.6	1.9	0.4	0.7	0.9	0.9
Kahului/Maui	0.1	0.1	0.0	0.0	0.0	0.0
Kansas City	1.0	1.4	0.9	1.1	1.1	1.1
Las Vegas McCarran	3.7	4.1	6.3	7.1	8.0	5.8
Los Angeles	24.1	17.7	9.7	13.7	21.9	17.4
Memphis	0.9	1.4	0.8	0.8	0.4	0.9
Miami	6.8	6.8	6.3	8.2	11.3	7.9
Minneapolis-St. Paul	9.3	6.6	7.2	17.2	12.7	10.6
Nashville	0.7	0.4	0.6	0.6	0.6	0.6
New Orleans Moisant	0.8	0.6	0.6	1.1	0.8	0.8
New York Kennedy	29.5	18.3	36.3	38.1	38.8	32.2
New York La Guardia	46.2	49.0	68.4	77.3	155.9	79.4
Newark	65.3	57.8	69.1	78.9	81.2	70.5
Ontario	1.1	1.8	1.2	0.7	1.2	1.2
Orlando	4.6	4.2	5.9	6.3	6.3	5.5
Palm Beach	0.5	0.6	0.5	0.5	2.1	0.8
Philadelphia	18.0	16.2	24.6	30.2	44.5	26.7
Phoenix Sky Harbor	7.3	9.1	19.9	21.1	21.9	15.9
Pittsburgh	6.6	2.8	3.6	2.1	3.8	3.8
Portland	2.4	3.0	1.1	1.5	0.5	1.7
Raleigh-Durham	1.6	0.7	0.6	1.3	2.1	1.3
Salt Lake City	3.5	2.6	2.8	1.9	2.0	2.6
San Antonio	1.0	0.7	0.7	1.2	0.8	0.9
San Diego Lindbergh	3.3	2.2	4.1	3.8	2.5	3.2
San Francisco	56.6	43.0	65.7	48.1	56.8	54.1
San Jose	1.4	0.5	1.6	2.2	5.7	2.3
San Juan	2.9	3.0	2.0	0.6	0.2	1.8
<b>Seattle-Tacoma</b>	<b>6.4</b>	<b>7.1</b>	<b>7.5</b>	<b>18.4</b>	<b>10.4</b>	<b>10.0</b>
St. Louis Lambert	34.0	30.4	31.7	19.2	18.2	26.7
Tampa	4.4	3.0	3.7	2.3	1.6	3.0
Teterboro	9.8	12.5	21.3	17.5	19.0	16.0
Washington Dulles	6.8	5.9	12.1	19.1	19.4	12.7
Washington National	6.5	4.3	5.9	6.6	8.0	6.2
Westchester Co.	3.9	1.9	3.0	2.5	3.5	2.9
U.S. Major Airport Avg.	13.5	11.9	14.6	17.1	20.4	15.5
<b>Seattle-Tacoma*</b>	<b>32</b>	<b>39</b>	<b>38</b>	<b>41</b>	<b>34</b>	<b>37</b>

\* Out of the 55 largest airports

\*\* The 2000 figures are based on preliminary data. However, the FAA expects less than a 1 percent difference between the preliminary and actual figures.

Source: FAA Air Traffic System Management, Air Traffic Activity and Delay Report, December 1990-1999.

# Cost of Doing Business

*Due to the unavailability of data, two of the five cost of doing business benchmarks were not updated this year: unit labor costs and energy prices. However, of the three indicators tht were updated, all improved in score.*

# State and Local Tax Collections Per \$1000 Personal Income

The relative tax position of Washington is of considerable interest to taxpayers and government officials alike. The Census Bureau of the U.S. Department of Commerce annually collects data in order to compare tax burdens across states. Using this figure, tax burdens are then calculated using several different methods; this report compares tax collections per \$1000 personal income. This measure is computed by dividing the total state and local taxes by total state personal income.

In fiscal year 1998, Washington's state and local tax burden amounted to \$115.00 for each \$1,000 of personal income. This level resulted from three previous years of decline and brought the level of taxes per \$1,000 personal income to its lowest level in over a decade. Washington's tax burden ranked 34<sup>th</sup> among the states and was \$3.30 above the national average of \$111.70 per \$1,000 of personal income.

The decrease in Washington's state and local tax burdens is expected to continue with the recent elimination of the motor vehicle excise tax (MVET), effective January 1, 2000. The impact of this tax cut will reflect in the tax burden data of the second half of the 2000 fiscal year. The MVET elimination will have a major influence on Washington's tax burden. If this tax cut would have been effective in FY 1998, Washington's state and local tax burden would have fallen to \$109.84, and its ranking improved to 25<sup>th</sup>.

Chart 29  
State and Local Tax Collections Per \$1,000 Personal Income

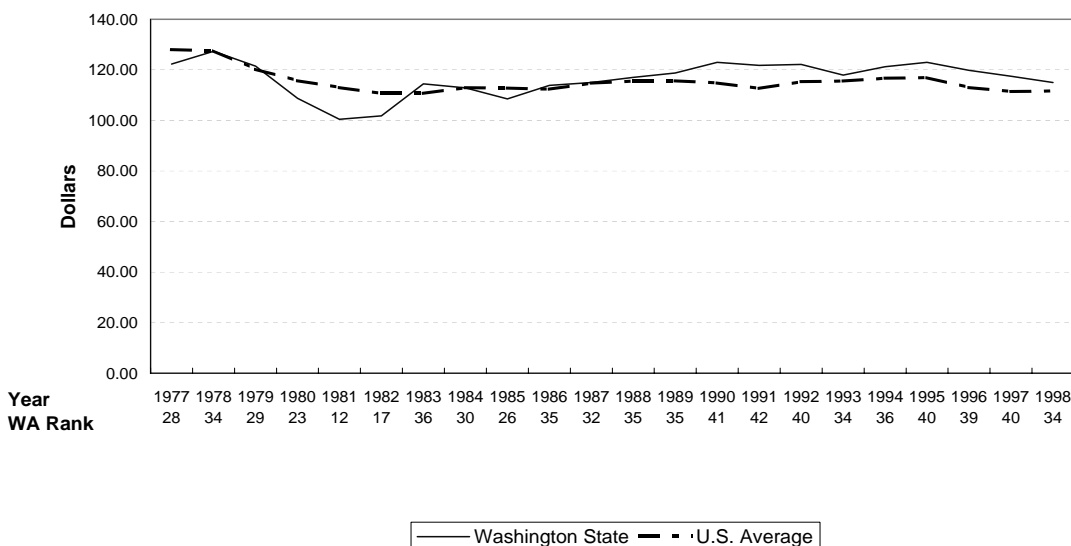


Table 29  
Cost of Doing Business  
**State and Local Tax Collections Per \$1,000 Personal Income**  
(Dollars)

	1994	1995	1996	1997	1998	1994-98
Alabama	94.32	96.34	93.55	91.24	91.33	93.36
Alaska	141.76	189.92	158.85	153.00	122.29	153.16
Arizona	124.42	123.84	117.59	108.83	106.77	116.29
Arkansas	106.21	106.27	107.89	105.14	106.51	106.40
California	110.65	115.56	113.38	111.42	114.50	113.10
Colorado	107.17	107.13	102.97	100.99	100.87	103.83
Connecticut	122.99	126.95	120.54	125.64	124.52	124.13
Delaware	115.70	119.26	108.60	111.30	118.84	114.74
Florida	107.66	105.62	102.73	100.34	100.50	103.37
Georgia	112.35	111.91	110.56	105.07	106.15	109.21
Hawaii	137.12	128.10	131.63	126.63	125.89	129.87
Idaho	115.13	115.00	115.58	112.48	113.76	114.39
Illinois	110.32	111.67	109.44	106.07	104.66	108.43
Indiana	111.35	109.59	104.35	110.80	105.75	108.37
Iowa	126.00	122.75	117.45	111.22	109.80	117.44
Kansas	117.31	114.61	113.74	112.57	115.74	114.79
Kentucky	114.98	119.36	115.63	113.73	112.84	115.31
Louisiana	104.17	105.03	102.71	109.58	109.02	106.10
Maine	125.26	126.67	129.48	134.47	144.46	132.07
Maryland	112.00	111.79	106.43	105.38	107.86	108.69
Massachusetts	116.39	117.00	112.37	111.63	113.28	114.13
Michigan	124.48	111.28	108.72	111.79	112.75	113.80
Minnesota	131.46	135.88	131.86	128.86	127.69	131.15
Mississippi	113.52	113.65	114.30	109.65	109.73	112.17
Missouri	96.16	105.37	100.62	101.58	101.57	101.06
Montana	114.30	116.19	111.02	113.65	113.78	113.79
Nebraska	117.05	116.14	118.92	113.39	112.36	115.57
Nevada	108.57	113.18	114.31	105.41	100.82	108.46
New Hampshire	99.79	96.68	89.13	91.03	88.39	93.00
New Jersey	120.70	119.02	115.74	111.10	115.10	116.33
New Mexico	131.70	128.51	126.36	127.72	131.39	129.14
New York	155.36	152.55	144.42	142.13	141.92	147.28
North Carolina	114.95	114.87	108.58	105.83	107.40	110.33
North Dakota	119.13	117.81	120.65	116.05	122.02	119.13
Ohio	112.42	115.69	111.38	110.03	110.35	111.97
Oklahoma	109.27	110.61	107.69	107.50	107.17	108.45
Oregon	118.60	114.82	106.65	106.75	100.96	109.56
Pennsylvania	110.29	111.77	106.47	106.62	107.27	108.48
Rhode Island	117.46	120.39	114.85	117.49	117.15	117.47
South Carolina	107.74	108.78	105.01	102.28	103.50	105.46
South Dakota	101.98	98.58	100.80	92.15	97.80	98.26
Tennessee	96.95	93.51	90.36	89.08	90.01	91.98
Texas	107.96	106.76	102.51	101.61	98.71	103.51
Utah	122.05	122.60	120.68	115.91	118.15	119.88
Vermont	128.63	123.82	122.25	123.74	125.08	124.70
Virginia	101.28	103.58	98.48	99.03	100.81	100.64
<b>Washington</b>	<b>121.24</b>	<b>123.00</b>	<b>119.79</b>	<b>117.49</b>	<b>115.00</b>	<b>119.30</b>
West Virginia	114.02	114.74	112.66	114.07	112.30	113.56
Wisconsin	137.34	136.66	133.33	128.22	129.10	132.93
Wyoming	128.99	116.70	117.28	116.93	122.04	120.39
U.S. Average	116.71	116.94	112.99	111.43	111.70	113.95
<b>Washington's Rank</b>	<b>36</b>	<b>40</b>	<b>39</b>	<b>40</b>	<b>34</b>	<b>39</b>

Source: Washington State Department of Revenue. Comparative State/Local Taxes, FY:1977-1998. ([www.dor.wa.gov](http://www.dor.wa.gov))

# Unemployment Insurance Costs

The unemployment insurance program is designed to provide economic security against the effects of unemployment. Unemployment insurance provides temporary compensation to most workers out of work due to no fault of their own. The Federal-State system is primarily financed through a payroll tax on employers. Tax rates vary according to the industry, an employer's experience with unemployment and their employee's wages. Lower tax rates are assigned to employers with a record of low unemployment costs and higher rates to employers with records of high unemployment costs. The unemployment insurance costs indicator graphed below expresses the cost of unemployment insurance as a percentage of total wages.

Washington has historically had among the highest tax rates and therefore unemployment insurance costs. However, this measure does not take into account differences in the industrial composition of state economies. In particular, state economies with considerable seasonal and cyclical unemployment will consequently rank high in average unemployment insurance costs when compared to the other states. Unemployment taxes in seasonal and cyclical industries must be high in order to prepare for recurring unemployment. Washington's economy consists of an industrial mix with high seasonal employment (i.e., agriculture, fishing, food processing, and forest products) and therefore experiences one of the highest average unemployment insurance costs. In 2000, Washington had the 45<sup>th</sup> highest unemployment insurance cost, amounting to 1.13 percent of total wages. Since 1996, Washington has ranked in the top quintile of unemployment insurance costs with an average of 1.16 percent.

Chart 30  
Unemployment Insurance Costs



Table 30  
Cost of Doing Business  
**Unemployment Insurance Costs**  
(Contributions collected as percent of total wages)

	1996	1997	1998	1999	2000	1996-00
Alabama	0.30	0.34	0.44	0.36	0.34	0.36
Alaska	1.80	1.88	1.63	1.59	1.74	1.73
Arizona	0.50	0.47	0.38	0.31	0.29	0.39
Arkansas	0.80	0.83	0.81	0.76	0.72	0.78
California	0.90	0.68	0.66	0.57	0.53	0.67
Colorado	0.40	0.38	0.33	0.32	0.27	0.34
Connecticut	1.20	1.19	1.10	0.62	0.49	0.92
Delaware	0.70	0.68	0.56	0.55	0.48	0.59
Florida	0.50	0.45	0.32	0.36	0.22	0.37
Georgia	0.50	0.37	0.30	0.14	0.14	0.29
Hawaii	1.50	1.33	1.25	1.21	1.15	1.29
Idaho	1.20	0.92	0.77	0.77	0.76	0.89
Illinois	0.80	0.73	0.68	0.64	0.57	0.68
Indiana	0.40	0.39	0.32	0.38	0.37	0.37
Iowa	0.50	0.50	0.50	0.51	0.64	0.53
Kansas	0.10	0.13	0.13	0.13	0.43	0.18
Kentucky	0.70	0.72	0.68	0.59	0.59	0.65
Louisiana	0.60	0.54	0.48	0.43	0.38	0.49
Maine	1.20	1.03	1.13	1.10	1.15	1.12
Maryland	0.80	0.54	0.48	0.46	0.40	0.54
Massachusetts	1.30	1.30	0.94	0.72	0.68	0.99
Michigan	1.10	0.97	0.80	0.75	0.73	0.87
Minnesota	0.70	0.61	0.55	0.51	0.46	0.57
Mississippi	0.50	0.43	0.50	0.57	0.50	0.50
Missouri	0.70	0.62	0.55	0.41	0.34	0.52
Montana	0.90	0.86	0.86	0.87	0.70	0.84
Nebraska	0.30	0.34	0.14	0.18	0.23	0.24
Nevada	0.90	0.84	0.81	0.82	0.76	0.83
New Hampshire	0.30	0.20	0.20	0.20	0.20	0.22
New Jersey	1.20	1.15	0.96	0.84	0.87	1.00
New Mexico	0.70	0.74	0.75	0.60	0.60	0.68
New York	0.90	0.84	0.61	0.59	0.65	0.72
North Carolina	0.10	0.31	0.35	0.35	0.28	0.28
North Dakota	0.50	0.46	0.59	0.61	0.69	0.57
Ohio	0.80	0.54	0.51	0.47	0.44	0.55
Oklahoma	0.40	0.32	0.17	0.19	0.15	0.24
Oregon	1.30	1.23	1.24	1.26	1.21	1.25
Pennsylvania	1.30	1.13	1.07	1.01	0.96	1.09
Rhode Island	2.00	2.00	1.85	1.47	1.24	1.71
South Carolina	0.60	0.60	0.42	0.42	0.41	0.49
South Dakota	0.20	0.21	0.21	0.20	0.20	0.20
Tennessee	0.50	0.46	0.46	0.42	0.42	0.45
Texas	0.50	0.47	0.43	0.37	0.37	0.43
Utah	0.50	0.42	0.36	0.34	0.24	0.37
Vermont	0.90	0.89	0.85	0.82	0.75	0.84
Virginia	0.40	0.26	0.17	0.16	0.15	0.23
<b>Washington</b>	<b>1.10</b>	<b>1.19</b>	<b>1.19</b>	<b>1.18</b>	<b>1.13</b>	<b>1.16</b>
West Virginia	1.10	1.03	1.01	0.98	0.97	1.02
Wisconsin	0.80	0.74	0.68	0.67	0.65	0.71
Wyoming	0.70	0.75	0.74	0.70	0.65	0.71
U.S. Average	0.80	0.70	0.62	0.56	0.53	0.64
<b>Washington's Rank</b>	<b>38</b>	<b>44</b>	<b>46</b>	<b>46</b>	<b>45</b>	<b>46</b>

Source: Unemployment Insurance Financial Data, U.S. Department of Labor, Employment and Training Administration, ET Handbook, No. 394.

# Workers' Compensation Premium Costs

The Oregon Department of Consumer & Business Services produces the workers' compensation premium index every two years in order to make a state-by-state comparison of workers' compensation premiums. The premium index is calculated by selecting Oregon's fifty largest business classes as defined by the workers' compensation costs and computing what those compensation claims would cost in other states. Workers' compensation premiums are important because they contribute to the cost of doing business and therefore impact a business' competitiveness and profitability. More important, worker and workplace safety are greatly improved with a responsive workers' compensation system. When responsibility for injury and unsafe working conditions is properly identified and managed, injuries and workers' compensation claims tend to decrease. Consequently, the premium rates charged for workers' compensation insurance also decrease resulting from the lowered cost of providing the insurance. The comparison of workers' compensation costs by state has several uses: as a factor in plant relocation, as a means of evaluating different workers' compensation systems, and for historical comparisons of workers' compensation premiums among states.

In 2000, Washington's premium costs were \$1.77 per \$100 of payroll. This is the fifth consecutive decline in Washington's premium costs and a decline of \$2.15 since 1990, over 50 cents more than the nation's decline. Washington ranked 14<sup>th</sup> in 2000, a considerable improvement since its rank of 29<sup>th</sup> a decade earlier. Additionally, Washington ranked 2<sup>nd</sup> when compared to the other states employing sole provider state models for workers' compensation activities. Washington's compensation system is atypical as employees pay a portion of their industrial premiums into a state fund and the Department of Labor and Industries acts as both the insurer and administrator of the workers' compensation system. Washington's results over the past decade suggest an effective and successful workers' compensation system.

Chart 31  
Workers' Compensation Premium Cost Index

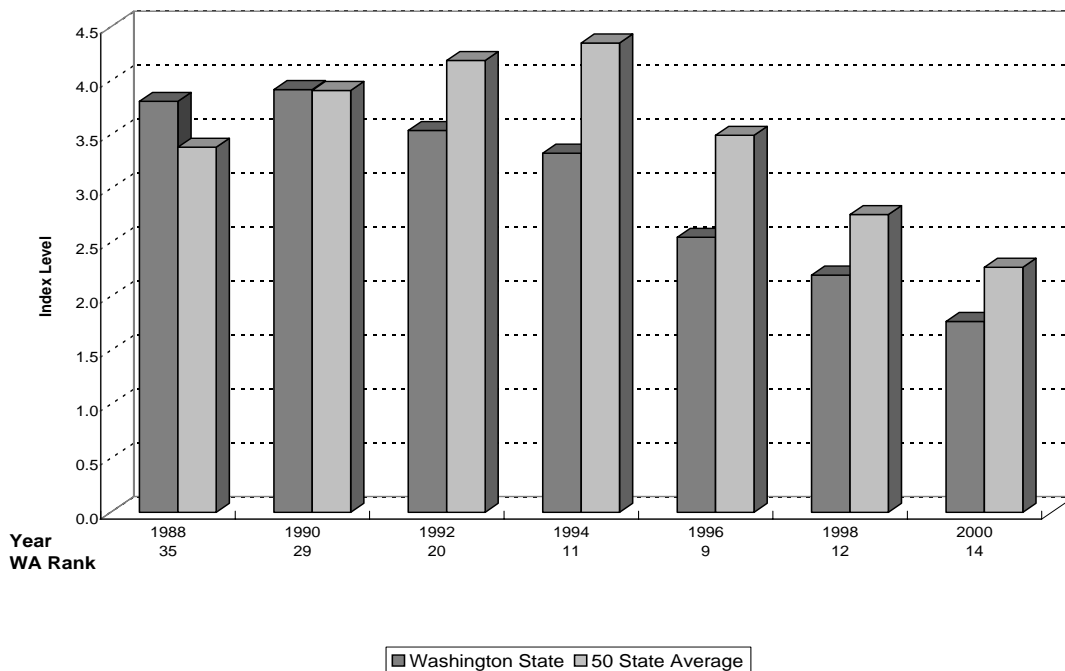


Table 31  
Cost of Doing Business  
**Workers' Compensation Premium Costs**  
(Dollar amount per \$100 of payroll)

	1992	1994	1996	1998	2000	1992-00
Alabama	5.04	4.78	3.64	3.70	2.56	3.94
Alaska	4.35	3.92	3.41	2.70	2.18	3.31
Arizona	4.34	4.18	3.38	2.60	1.77	3.25
Arkansas	4.04	3.69	3.04	2.29	1.68	2.95
California	5.96	5.04	4.11	4.86	3.34	4.66
Colorado	6.60	5.28	3.34	2.87	2.64	4.15
Connecticut	6.21	5.34	4.64	3.67	2.58	4.49
Delaware	3.35	3.18	3.54	3.20	2.58	3.17
Florida	6.22	5.72	5.26	4.28	4.08	5.11
Georgia	4.77	4.52	4.04	2.95	2.42	3.74
Hawaii	5.52	6.06	5.75	3.24	2.99	4.71
Idaho	3.90	3.88	3.00	2.48	2.11	3.07
Illinois	5.03	5.48	3.77	2.96	2.62	3.97
Indiana	2.29	2.26	1.71	1.55	1.32	1.83
Iowa	3.37	3.47	2.17	1.87	1.66	2.51
Kansas	3.10	3.49	2.64	1.82	1.56	2.52
Kentucky	4.04	5.46	3.77	2.58	2.32	3.63
Louisiana	4.96	6.98	5.47	4.06	3.36	4.97
Maine	5.05	5.87	3.91	2.69	2.52	4.01
Maryland	2.86	3.08	2.23	2.03	1.58	2.36
Massachusetts	5.40	4.98	3.71	3.10	1.77	3.79
Michigan	4.75	4.54	3.05	2.86	2.40	3.52
Minnesota	6.18	5.29	4.03	2.94	2.40	4.17
Mississippi	3.41	3.70	3.30	2.62	2.10	3.03
Missouri	3.63	4.35	3.45	2.65	2.26	3.27
Montana	6.34	6.91	4.71	3.50	2.75	4.84
Nebraska	2.92	3.31	2.04	1.62	1.62	2.30
Nevada	4.61	4.55	3.96	3.86	3.10	4.02
New Hampshire	4.40	4.73	4.13	3.32	2.47	3.81
New Jersey	3.13	3.58	3.20	2.49	2.19	2.92
New Mexico	4.63	5.75	3.55	2.43	1.66	3.60
New York	5.36	5.38	4.90	3.53	3.05	4.44
North Carolina	2.56	3.41	3.05	2.02	1.64	2.54
North Dakota	1.97	2.53	2.34	2.19	1.79	2.16
Ohio	3.83	4.42	4.12	3.12	2.89	3.68
Oklahoma	4.11	4.86	4.65	3.10	2.85	3.91
Oregon	4.41	3.70	3.15	2.27	1.93	3.09
Pennsylvania	4.60	5.02	4.37	2.69	2.31	3.80
Rhode Island	6.19	5.75	4.81	3.74	3.18	4.73
South Carolina	2.71	2.91	2.38	1.47	1.51	2.20
South Dakota	3.42	3.88	3.20	2.31	1.63	2.89
Tennessee	3.33	3.60	3.59	2.79	2.10	3.08
Texas	6.51	5.91	4.19	4.11	3.05	4.75
Utah	3.00	3.62	2.64	1.88	1.58	2.54
Vermont	3.11	4.21	3.60	2.41	1.98	3.06
Virginia	2.28	2.76	1.19	1.74	1.27	1.85
<b>Washington</b>	<b>3.54</b>	<b>3.33</b>	<b>2.55</b>	<b>2.20</b>	<b>1.77</b>	<b>2.68</b>
West Virginia	2.99	2.93	2.91	2.26	2.72	2.76
Wisconsin	3.02	3.17	2.34	2.36	2.01	2.58
Wyoming	2.12	2.84	2.85	2.05	1.75	2.32
50 State Average*	4.19	4.35	3.50	2.76	2.27	3.41
<b>Washington's Rank</b>	<b>20</b>	<b>11</b>	<b>9</b>	<b>12</b>	<b>14</b>	<b>13</b>

Source: Oregon Workers' Compensation Premium Rate Rankings, Calendar Year 1988, 1990, 1992, 1994, 1996, 1998, 2000.  
Research and Analysis Section of the Oregon Department of Consumer and Business Services.

# Unit Labor Costs

(Not updated due to unavailability of data.)

Labor costs represent the lion's share of business costs. The unit labor cost benchmark is a measure of the labor cost (earnings) required to produce one dollar of output (value added) in manufacturing. This measure is calculated by the Regional Financial Associates (RFA). According to RFA, since relative business costs have little or no impact on industries that only serve the local area—such as retail trade, real estate, and repair services—only export industries (those industries whose demand primarily comes from outside the state of production) are included in the analysis. Expressed as an index, the U.S. average unit labor cost is set to equal 100. Since industries vary in their earnings to value added ratios, the ratio for each state was calculated based on U.S. employment shares.

Washington's unit labor costs, for the five most recent years available (1994 to 1998), were 2.3 percent above the U.S. average, ranking 41<sup>st</sup>. Washington's unit labor costs are increasing relative to the U.S. average. In 1998, Washington was 4.1 percent higher than the U.S. average and ranked 45<sup>th</sup> among the states.

Chart 32  
Unit Labor Cost

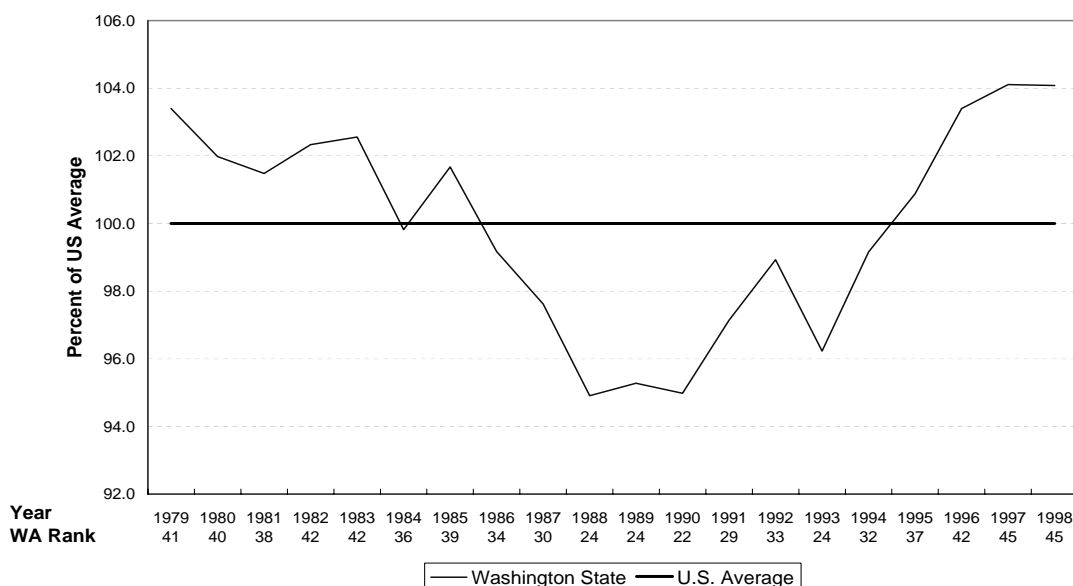


Table 32  
Cost of Doing Business  
**Unit Labor Costs**  
(Percent)\*

	1994	1995	1996	1997	1998	1994-98
Alabama	97.9	97.7	97.4	97.3	96.4	97.3
Alaska	93.5	93.3	92.3	91.7	90.7	92.3
Arizona	96.6	94.5	96.0	96.1	95.3	95.7
Arkansas	88.0	88.3	87.4	86.6	85.7	87.2
California	103.1	102.9	103.8	103.7	103.0	103.3
Colorado	103.9	104.6	103.9	103.0	101.6	103.4
Connecticut	105.8	107.3	109.9	110.1	109.7	108.6
Delaware	86.5	87.2	86.9	86.8	86.1	86.7
Florida	101.6	100.4	100.4	100.1	99.1	100.3
Georgia	95.8	94.8	94.8	94.4	93.2	94.6
Hawaii	97.5	95.6	95.4	94.6	92.8	95.2
Idaho	89.1	87.9	89.3	89.5	88.2	88.8
Illinois	100.7	103.6	101.7	101.5	100.6	101.6
Indiana	97.4	97.0	95.5	95.1	93.7	95.7
Iowa	83.4	84.7	82.3	81.8	80.5	82.6
Kansas	92.6	94.8	94.5	93.8	92.8	93.7
Kentucky	89.2	89.2	89.5	90.0	89.4	89.5
Louisiana	92.7	88.4	89.0	88.5	87.8	89.3
Maine	101.9	99.0	98.9	99.0	98.1	99.4
Maryland	103.0	104.1	104.3	104.1	103.3	103.7
Massachusetts	109.8	110.5	109.2	109.1	108.1	109.3
Michigan	108.8	108.8	109.4	109.5	108.7	109.0
Minnesota	101.5	103.2	102.4	102.3	101.7	102.2
Mississippi	87.7	87.2	86.6	85.9	84.9	86.5
Missouri	96.8	97.1	96.2	95.9	94.9	96.2
Montana	89.2	88.7	88.6	88.3	87.5	88.5
Nebraska	84.2	86.6	83.2	80.7	78.7	82.7
Nevada	92.6	91.7	92.1	91.4	90.0	91.5
New Hampshire	99.6	98.5	96.7	96.5	96.0	97.5
New Jersey	109.1	109.1	110.1	110.3	109.5	109.6
New Mexico	71.3	81.1	80.9	78.3	74.3	77.2
New York	105.5	104.8	104.9	105.0	104.2	104.9
North Carolina	96.3	98.3	98.5	98.7	98.2	98.0
North Dakota	90.3	91.5	88.5	87.1	86.2	88.7
Ohio	98.4	97.4	97.3	97.0	95.9	97.2
Oklahoma	87.4	86.3	87.0	86.7	85.4	86.6
Oregon	100.1	99.2	100.2	99.9	99.1	99.7
Pennsylvania	103.4	100.9	100.0	99.5	98.1	100.4
Rhode Island	96.1	96.2	97.4	96.3	94.4	96.1
South Carolina	96.6	96.6	96.4	95.9	94.9	96.1
South Dakota	66.2	66.3	64.9	64.0	63.3	65.0
Tennessee	95.6	97.7	98.3	98.4	97.9	97.6
Texas	92.1	92.5	92.9	92.4	91.1	92.2
Utah	106.8	105.0	101.9	101.6	100.6	103.2
Vermont	96.8	97.5	97.1	96.8	95.9	96.8
Virginia	100.1	100.6	100.5	100.7	100.2	100.4
<b>Washington</b>	<b>99.2</b>	<b>100.9</b>	<b>103.4</b>	<b>104.1</b>	<b>104.1</b>	<b>102.3</b>
West Virginia	94.1	95.6	96.0	95.5	94.7	95.2
Wisconsin	100.8	101.0	101.1	101.5	100.8	101.1
Wyoming	81.3	78.8	76.6	75.7	74.2	77.3
U.S. Average	100.0	100.0	100.0	100.0	100.0	100.0
<b>Washington's Rank</b>	<b>32</b>	<b>37</b>	<b>42</b>	<b>45</b>	<b>45</b>	<b>41</b>

\* Unit labor costs in manufacturing relative to the U.S. average.

Source: Bureau of Economic Analysis, U.S. Department of Commerce. September 1998 (State Personal Income) and June 1998 (Gross State Product).

# Energy Prices

(Not updated due to unavailability of data.)

The cost of doing business in any economy is largely influenced by energy prices. The energy price indicator graphed below represents average prices for all forms of energy expressed in dollars per British Thermal Unit (BTU).

Over the five most recent years available (1993-1997), Washington's energy prices averaged \$7.33 per BTU compared to the U.S. average of \$8.49. The state ranked 9<sup>th</sup> in energy costs during this time period. There has been very little variation in Washington's energy costs relative to the U.S. average in the most recent available data. In 1997, Washington ranked 9<sup>th</sup> with an average energy cost of \$7.64 per BTU compared to the U.S. average of \$8.82.

Due to the significant time lag associated with computing energy prices, the recent changes that have occurred in Washington's energy markets are not reflected in this report. Due to deregulation difficulties in California and drought conditions over the entire West Coast, wholesale prices for both electricity and natural gas rose precipitously in all of the western states in late 2000 and early 2001. While these prices have since subsided from their peak levels, both retail and wholesale customers now pay relatively higher prices than they did in 1997. Washington's overall energy prices, however, remain very competitive.

Chart 33  
Energy Prices

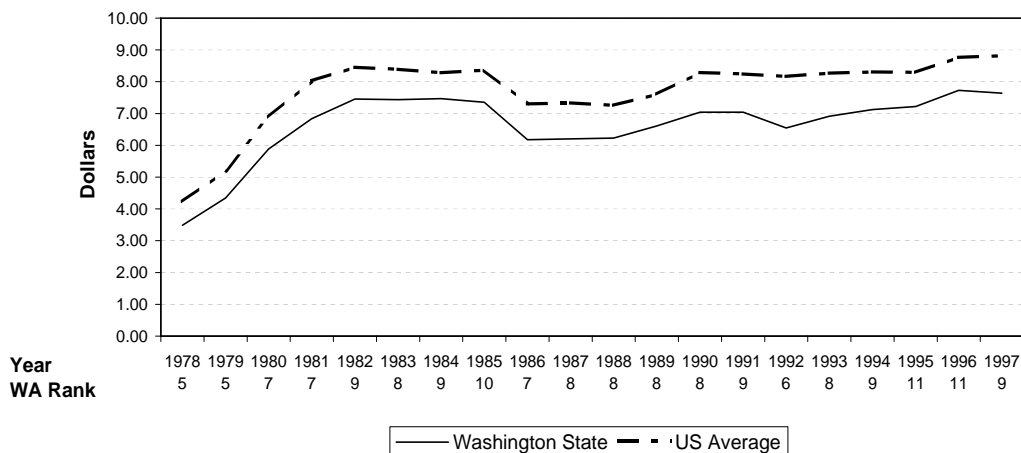


Table 33  
Cost of Doing Business  
**Energy Prices**  
(Dollars per Million Btu)

	1993	1994	1995	1996	1997	1993-97
Alabama	7.51	7.33	7.32	7.62	7.81	7.52
Alaska	6.43	6.40	6.42	6.72	6.69	6.53
Arizona	11.70	11.51	11.27	11.89	11.75	11.63
Arkansas	8.39	8.15	7.90	8.50	8.65	8.32
California	9.46	9.50	9.56	9.86	10.27	9.73
Colorado	7.92	8.19	8.26	8.50	8.68	8.31
Connecticut	11.50	11.73	12.08	12.49	12.56	12.07
Delaware	8.68	8.93	9.31	9.65	9.98	9.31
Florida	10.36	10.04	10.24	10.90	10.99	10.51
Georgia	8.50	8.42	8.41	8.83	8.86	8.60
Hawaii	11.12	10.83	11.28	13.18	13.34	11.95
Idaho	7.64	7.75	7.64	8.02	8.01	7.81
Illinois	8.64	8.58	8.56	8.97	9.03	8.76
Indiana	6.62	7.00	6.82	7.13	7.31	6.98
Iowa	7.70	7.64	7.53	7.95	8.10	7.78
Kansas	7.45	7.33	7.66	8.50	8.77	7.94
Kentucky	7.33	7.34	7.20	7.69	7.72	7.46
Louisiana	5.50	5.38	5.23	6.10	5.81	5.61
Maine	8.05	7.99	8.11	8.65	8.82	8.32
Maryland	9.88	9.97	9.99	10.55	10.27	10.13
Massachusetts	10.30	10.55	10.69	11.08	11.35	10.79
Michigan	7.83	7.80	7.71	8.13	8.18	7.93
Minnesota	7.96	7.95	7.75	8.32	8.46	8.09
Mississippi	7.89	8.02	8.06	8.74	8.59	8.26
Missouri	8.41	8.40	8.42	9.05	9.15	8.69
Montana	7.60	7.82	7.93	8.46	8.41	8.04
Nebraska	8.02	7.99	7.93	8.45	8.47	8.17
Nevada	8.83	9.40	8.99	9.56	9.81	9.32
New Hampshire	10.68	11.04	11.26	11.46	11.58	11.20
New Jersey	8.81	8.86	9.02	9.61	9.46	9.15
New Mexico	9.04	9.24	9.01	9.64	9.45	9.28
New York	10.79	11.00	10.89	11.09	11.18	10.99
North Carolina	9.66	9.64	9.56	10.03	10.11	9.80
North Dakota	6.08	6.05	5.99	6.47	6.25	6.17
Ohio	8.49	8.53	8.49	8.85	9.01	8.67
Oklahoma	7.26	7.21	7.19	7.88	8.07	7.52
Oregon	8.13	8.24	8.32	8.65	8.40	8.35
Pennsylvania	8.48	8.63	8.74	9.09	9.32	8.85
Rhode Island	9.59	9.60	9.87	10.63	11.04	10.14
South Carolina	8.25	8.40	8.56	8.99	8.77	8.59
South Dakota	8.27	8.15	8.21	8.78	8.98	8.48
Tennessee	8.05	8.08	8.04	8.62	8.60	8.28
Texas	6.47	6.60	6.42	7.06	6.94	6.70
Utah	6.95	6.95	6.98	7.53	7.58	7.20
Vermont	10.54	10.74	10.98	11.46	11.36	11.02
Virginia	8.87	8.77	8.92	9.34	9.32	9.05
<b>Washington</b>	<b>6.92</b>	<b>7.13</b>	<b>7.22</b>	<b>7.73</b>	<b>7.64</b>	<b>7.33</b>
West Virginia	6.83	6.81	7.15	7.41	7.33	7.11
Wisconsin	7.92	7.86	7.79	8.21	8.25	8.01
Wyoming	6.10	6.01	6.16	6.39	6.51	6.24
U.S Average	8.27	8.31	8.29	8.77	8.82	8.49
<b>Washington's Rank</b>	<b>8</b>	<b>9</b>	<b>11</b>	<b>11</b>	<b>9</b>	<b>9</b>

Source: Energy Information Administration, Combined State Energy Data System 1997. August 2000.

# Appendix A

The 2000 population estimates are based on the April 1, 2000 decennial census population counts as released by the Census Bureau on December 28, 2000. The intercensal years have not been revised according to the decennial census and therefore can not be directly compared to the 2000 population figures or any economic indicator using population figures as a variable. State comparisons can only be made within the year 2000 or over the period up to 1999. Currently, the difference between the intercensal estimates and the decennial count are approximated to be an undercount of 0.9 to 1.9 percentage points.

State Population 1995-2000	4/1/00 Population (Estimate)	7/1/99 Population (Estimate)	7/1/98 Population (Estimate)	7/1/97 Population (Estimate)	7/1/96 Population (Estimate)	7/1/95 Population (Estimate)
Alabama	4,447,100	4,369,862	4,351,037	4,320,281	4,290,403	4,262,731
Alaska	626,932	619,500	615,205	608,846	604,918	601,345
Arizona	5,130,632	4,778,332	4,667,277	4,552,207	4,432,308	4,306,908
Arkansas	2,673,400	2,551,373	2,538,202	2,524,007	2,504,858	2,480,121
California	33,871,648	33,145,121	32,682,794	32,217,708	31,780,829	31,493,525
Colorado	4,301,261	4,056,133	3,968,967	3,891,293	3,812,716	3,738,061
Connecticut	3,405,565	3,282,031	3,272,563	3,268,514	3,267,030	3,265,293
Delaware	783,600	753,538	744,066	735,024	727,090	718,265
Florida	15,982,378	15,111,244	14,908,230	14,683,350	14,426,911	14,185,403
Georgia	8,186,453	7,788,240	7,636,522	7,486,094	7,332,225	7,188,538
Hawaii	1,211,537	1,185,497	1,190,472	1,189,322	1,184,434	1,180,490
Idaho	1,293,953	1,251,700	1,230,923	1,210,638	1,187,706	1,165,000
Illinois	12,419,293	12,128,370	12,069,774	12,011,509	11,953,003	11,884,935
Indiana	6,080,485	5,942,901	5,907,617	5,872,370	5,834,908	5,791,819
Iowa	2,926,324	2,869,413	2,861,025	2,854,396	2,848,473	2,840,860
Kansas	2,688,418	2,654,052	2,638,667	2,616,339	2,598,266	2,586,942
Kentucky	4,041,769	3,960,825	3,934,310	3,907,816	3,881,051	3,855,248
Louisiana	4,468,976	4,372,035	4,362,758	4,351,390	4,338,763	4,327,978
Maine	1,274,923	1,253,040	1,247,554	1,245,215	1,241,436	1,237,438
Maryland	5,296,486	5,171,634	5,130,072	5,092,914	5,057,142	5,023,650
Massachusetts	6,349,097	6,175,169	6,144,407	6,115,476	6,085,393	6,062,335
Michigan	9,938,444	9,863,775	9,820,231	9,785,450	9,739,184	9,659,871
Minnesota	4,919,479	4,775,508	4,726,411	4,687,726	4,647,723	4,605,445
Mississippi	2,844,658	2,768,619	2,751,335	2,731,826	2,709,925	2,690,788
Missouri	5,595,211	5,468,338	5,437,562	5,407,113	5,367,888	5,324,610
Montana	902,195	882,779	879,533	878,706	876,656	868,522
Nebraska	1,711,263	1,666,028	1,660,772	1,656,042	1,647,657	1,635,142
Nevada	1,998,257	1,809,253	1,743,772	1,675,581	1,596,476	1,525,777
New Hampshire	1,235,786	1,201,134	1,185,823	1,173,239	1,160,768	1,145,604
New Jersey	8,414,350	8,143,412	8,095,542	8,054,178	8,009,624	7,965,523
New Mexico	1,819,046	1,739,844	1,733,535	1,722,939	1,706,151	1,682,417
New York	18,976,457	18,196,601	18,159,175	18,143,184	18,143,805	18,150,928
North Carolina	8,049,313	7,650,789	7,545,828	7,428,672	7,307,658	7,185,403
North Dakota	642,200	633,666	637,808	640,945	642,858	641,548
Ohio	11,353,140	11,256,654	11,237,752	11,212,498	11,187,032	11,155,493
Oklahoma	3,450,654	3,358,044	3,339,478	3,314,259	3,289,634	3,265,547
Oregon	3,421,399	3,316,154	3,282,055	3,243,254	3,195,087	3,141,421
Pennsylvania	12,281,054	11,994,016	12,002,329	12,015,888	12,038,008	12,044,780
Rhode Island	1,048,319	990,819	987,704	986,966	987,858	989,203
South Carolina	4,012,012	3,885,736	3,839,578	3,790,066	3,738,974	3,699,943
South Dakota	754,844	733,133	730,789	730,855	730,699	728,251
Tennessee	5,689,283	5,483,535	5,432,679	5,378,433	5,313,576	5,241,168
Texas	20,851,820	20,044,141	19,712,389	19,355,427	19,006,240	18,679,706
Utah	2,233,169	2,129,836	2,100,562	2,065,397	2,022,253	1,976,774
Vermont	608,827	593,740	590,579	588,665	586,352	582,827
Virginia	7,078,515	6,872,912	6,789,225	6,732,878	6,665,491	6,601,392
<b>Washington</b>	<b>5,894,121</b>	<b>5,756,361</b>	<b>5,687,832</b>	<b>5,604,105</b>	<b>5,509,963</b>	<b>5,431,024</b>
West Virginia	1,808,344	1,806,928	1,811,688	1,815,588	1,818,983	1,820,560
Wisconsin	5,363,675	5,250,446	5,222,124	5,200,235	5,173,828	5,137,004
Wyoming	493,782	479,602	480,045	480,031	480,085	478,447
United States	281,421,906	272,690,813	270,248,003	267,783,607	265,228,572	262,803,276

Source: United States Department of Commerce. Bureau of the Census. ([www.census.gov](http://www.census.gov))

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## **Climate Study Work Group Members**

Jack Archer, House Republican Caucus  
Gary Benson, House Democratic Caucus  
Martha Choe, Department of Community, Trade & Economic Development  
Randy Hodgins, Senate Ways & Means Committee  
Irv Lefberg, Office of Financial Management  
Rick Peterson, Office of Program Research  
Bill Robinson, House Committee on Appropriations  
David Schumacher, Senate Ways & Means Committee

## **Other**

Greg Pierce

## **Other Agencies**

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